

A STUDY OF BUSINESS AND
EMPLOYMENT AMONG NEGROES
IN LOUISVILLE

By

ASSOCIATES OF
LOUISVILLE MUNICIPAL COLLEGE
UNIVERSITY OF LOUISVILLE
LOUISVILLE URBAN LEAGUE
CENTRAL COLORED HIGH SCHOOL

*William L. H.
Revised copy*

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Louisville, Kentucky,
May 1, 1944.

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FOREWORD

The following Study of Business Enterprise and Employment among Negroes in Louisville, Kentucky, was conceived in general outline, if not in final form, by Dr. R. A. Kent,—then President of the University of Louisville, but since deceased,—and by Mr. J. A. Thomas—then Executive Secretary of the Louisville Urban League.

When once the aims and purposes of the Study had been formulated, Messrs. H. A. Baker, of Central High School, and lecturer at Louisville Municipal College; C. H. Parrish, G. F. Robinson, G. D. Wilson, and D. A. Lane, Dean, of Louisville Municipal College; F. W. Stamm and Charles W. Williams of the University of Louisville; J. B. Blayton, of Atlanta University; and Joseph C. Evans, of the United States Bureau of Education, were asked to serve as workers, assistants, conferees, and consultants, and as members of an executive committee. In the main, they contributed both to the development and to the completion of the Study.

Significant modifications in the original aims of the committee, and a tardiness in the appearance of this report were occasioned by several changes in the membership of the committee, and especially in the directing personnel. Mr. Thomas was called to the National Urban League Offices, and was succeeded by Mr. R. E. Black, in Louisville. A vacancy created by the resignation of Mr. Robinson was never filled. Dr. Kent passed at a critical moment, between compilation of data and writing of the Study, and was succeeded by Dr. E. W. Jacobsen, as President of the University of Louisville, and director of the Study. Still later, Dr. Jacobsen, because of previous commitments, asked Bertram W. Doyle,—appointed in the interim as Dean of the Municipal College,—to assume direction of the Study. In the final form, then, this Study represents a serially co-operative effort. However, no person not a member at the completion of the Study should be charged with the defects that appear in the Study, so much as credited with whatever excellencies it may possess.

Mr. Baker supervised the field work, acted as secretary of the committee, and wrote the first drafts of Chapters IV-VII. Mr. Parrish, as official statistician, acted as liaison officer between the field workers and the compilation office, completed Chapter VI, and

contributed the Note on Methods and Materials; Messrs. Stamm, Williams, and Wilson contributed as members over the entire existence of the committee, and the latter completed Chapter VII, and contributed the Note on Vocational Choices. Messrs. Blayton and Evans were consultants, who responded frequently, willingly, and effectively during the course of the Study. Bertram Doyle acted, in the final stages, as director of the Study, wrote Chapters I-III and VIII, completed Chapters IV and V, and with the advice and assistance of an editorial committee, edited the entire report.

Various field workers, secretaries, and assistants, though not listed here, nevertheless contributed their share to the Study, and earned the deep gratitude of the committee.

The financial burden of the Study was assumed by the General Education Board. That assistance is not only gratefully acknowledged here, but the interest of members of the board, especially Messrs. Brierley and McCuistion, exhibited in the occasional depressions caused by changes in committee personnel, proved to be a stimulus required to complete complicated phases of the work.

It is the hope of the committee that the findings of this Study 1) may present an overview of business conditions and employment among Negroes in Louisville; 2) may indicate ways in which both expansion and improvement may result; 3) may serve, as a pioneer study and, however poorly, as a guidepost to, and an indication of the pitfalls that must be avoided in, future studies of this type; and, 4) may be considered as a sample and a symbol, rather than as an unique study, of the status and condition of business and employment among Negroes generally.

Louisville, Ky., May 1, 1944.

B. W. D.

CHAPTER I

WHAT ARE THE BACKGROUND AND TRADITIONS IN THE DEVELOPMENT OF BUSINESS ENTER- PRISE AMONG NEGROES IN LOUISVILLE?

In Louisville, Kentucky, Negroes have been present almost since the first settlement of the town. In fact, the very nature of the township originally laid out by Captain Thomas Bullitt, in 1773, at the "falls of the Ohio River,"¹ required the presence of a labor force which was, at the same time, both cheap and moderately plentiful.

The "falls" made navigation of the Ohio River at the site of Louisville impossible. To get past the natural barrier, boats traveling on the river found it necessary to unload their cargoes, have them carried overland for a mile or so, around the falls, and then transfer to other boats, or,—if the original boat had been able to navigate the falls,—to have the cargo reloaded. Such activities could make good use of the labor which Negro slaves, at that time growing rapidly in numbers, would supply.

If the site of Louisville was thus a natural one, a colony founded, in 1778, on nearby Corn Island in the Ohio River, at first grew more rapidly;² but early indications seemed to demonstrate that the colony would outgrow its surroundings, and thus force migration to the mainland.

Indeed, in 1780, two years after the settlement of Corn Island and seven years after the townsite of Louisville was laid out on the mainland at the junction of the Ohio River with Beargrass Creek, the town was, itself, incorporated. By 1784, "Louisville contained '63 houses finished, 37 partly finished, 22 raised but not covered, and more than 100 cabins.'"³

Credible evidence establishes the fact that Negroes were living in Louisville, or at least were present there, within five years after the incorporation. In a court record for August, 1785, there is related the story of one "negro Peter," who had been condemned to death for stealing property valued at "eighty pounds, current money."⁴ On October 21, 1786, "negro Tom, a slave, the property

of Robert Daniel, was condemned to death for stealing two and three-fourths yards of cambric, and some ribbon thread, the property of James Patten."⁵

The severity of punishment visited in the latter case, as compared with the former, seems to indicate an increase in the number of slaves, for, as was characteristic of the times when slaves increased in numbers, there was a consequent enactment, and enforcement, of harsh laws which were calculated to restrain them.

Again, since slaves were generally under the control of masters, the occurrence of two cases of theft, requiring such harsh penalties, within such a short time, seems also to indicate that the slaves were affected by the character of the town—by now a hardy, frontier town, inhabited by adventurers, fortune hunters, businessmen, and slaves.

If Negro slaves were present so early, almost as early did free Negroes begin to appear. In manuscripts filed under "Powers of Attorney," in Louisville, Ulrich B. Phillips discovered a document of one Philip Graham,—who had shortly before come to Louisville from Maryland,—which converted Graham's slaves "into servants for terms, the adults to become free at the close of the year, and the children as they reached maturity."⁶ The "year" under consideration was 1787.

The significance of the presence of free Negroes so early, in Louisville, is an index to two conditions: a) the growth of a spirit of liberalism and tolerance in Louisville among the white population, and b) the early development of a class of Negroes who were later to form the business and free employed portion of the Negro group. Concerning this latter situation, Woodson says:

"The free Negroes, moreover, exhibited not only the power to take care of themselves in old communities, but blazed the way for progress of the race in new commonwealths, and in all but forbidden fields."⁷

At any rate, as Louisville grew and developed, Negroes were present both as slaves and as freedmen. By 1790, in the first census, Jefferson County reported 903 slaves and 5 free Negroes, while the town of Louisville reported a total population of only 200.⁸ At this time, perhaps, agriculture was more important than urban economy, and slaves were doubtless retained mostly for their services on the farms. In 1800, when Louisville reported 359 in the total population,⁹ 76 of those were slaves; while in 1801

Jefferson County reported 2,330 slaves and 22 "all other free persons" than whites.¹⁰ It seems more logical to believe,—though the evidence is lacking,—that most of the 22 "other free persons" were Negroes, and doubtless lived in Louisville, for it long was an axiom that "city air makes one free," and free Negroes were undoubtedly concentrated in towns and cities.

About 1810, Louisville began to increase rapidly in population. In that year, it reported 1,357 persons; in 1820, 4,012; in 1830, 10,341; in 1840, 21,210; and in 1850, 43,194.¹¹

The growth of the slave and free Negro population cannot be traced so continuously, yet it may be shown that, in 1840, there were 8,596 slaves in Jefferson County,¹² of whom 3,240 lived in Louisville.¹³ Moreover, there were at the same time in Louisville 609 free Negroes.¹⁴ It is, however, for the year 1850 that we get the best view of the growth of the Negro population in the area. At this time there were 99 free Negroes in Jefferson County, and 1,538 in Louisville,¹⁵ while in the county outside Louisville lived 10,911 slaves.¹⁶

By 1850, we may conclude, the pattern for the presence of Negroes in Louisville and Jefferson County had been set, the free Negro caste was developing to a stage which indicated an interest in skilled and semi-skilled occupations, and the seeds of business development among free Negroes were sown. Indeed, records of free Negroes reported by occupation in the City Directory of Louisville for 1848,¹⁷ have been used in this study. At that time free Negroes reported 23 designated occupations, in which 94 persons were engaged, and unclassified occupations with 61 persons engaged.

From 1860 to 1930, Louisville exhibited rapid economic progress. Its population, by census figures, developed from 68,033 to 307,745,¹⁸ and the number of Negroes increased from 19,146¹⁹ to 47,354.²⁰ There is reason to believe that the business enterprise of the Negro has developed meanwhile. It is, at all events, a demonstrable fact that employment among that class shows greater variation in types, as well as increase in numbers, through the years.

It was the free Negro, as we have noted, who set the pattern for Negro business and employment in a period when at least nine-tenths of all Negroes in America were unable, on the whole, to engage in any sort of business enterprise, or, with the skills which many had acquired, to enter into competition with white

people. It is also true that, frequently, Negro slaves who had acquired a degree of occupational skill became free, in one way or another. The literature is replete with instances of such Negro slaves who, frequently, were hired out by their masters. Others were permitted in many instances to "hire themselves," and to pay their masters a stipulated wage for their services. All money earned over the amount owed the master frequently was devoted to the purchase of themselves. In consequence, then, freedom for many a Negro slave was immediately traceable to his occupational skill.²¹ Jefferson Davis, the president of the Confederacy, is reported to have remarked that "a slave who could purchase himself was one whom it did not pay to hold as a slave."²²

However, "free Negroes were not all on the same plane . . . there were freedmen in possession of a considerable amount of property, others who formed a lower class of artisans and mechanics, and finally those living with difficulty above pecuniary embarrassment."²³ However, most of the well-to-do free Negroes who lived in the cities and towns belonged to the artisan class.

There were, on the other hand, noticeable differences in the type of occupations engaged in by free Negroes in different communities; then, too, there was a spread of types of occupations among them, ranging from a wide variety in the North to a more restricted classification in the far South.

The matter of occupation was but little removed from business enterprise. For, if an artisan needed to possess tools, it also occasionally happened that he might enter business and thus need capital and materials, as well as his tools. The development would be especially noticeable in the case of a butcher, a barber, or a shoemaker, or blacksmith. In this wise, business development among Negroes has depended greatly upon previous occupational experience. Indeed, evidence indicates in Louisville that the development of Negro business has followed this course.

We arrive, then, at the suggested conclusion that business enterprise and occupational specialization among Negroes in Louisville not only was established in an atmosphere comparatively free from opposition by white people, but also followed the pattern of development exhibited among free Negroes prior to the Civil War. There remains to be discovered the particular type of development which has been followed in Louisville, as compared, or contrasted, with cities in other parts of the country.

TABLE I—OCCUPATIONS OF FREE NEGROES, AND NUMBERS OF FREE NEGROES ENGAGED IN THEM IN NEW YORK CITY, NEW ORLEANS, CHARLESTON, SOUTH CAROLINA, AND LOUISVILLE, 1848 AND 1850

OCCUPATIONS	NEW YORK 1850(a)	NEW ORLEANS 1850(a)	CHARLESTON 1848(b)	LOUISVILLE 1848(c)
Total Reporting	3,337	1,792	608	155
Apprentices	2	4	21	....
Bakers	4	1	1	....
*Barbers-Hairdressers	122	41	14	16
Blacksmiths-etc.	1	15	4	....
*Boatmen-Rivermen	28	37	....	1
Wharfingers-Stevedores }	....	7	1	....
Bookbinders	....	4	....	....
Butchers	33	18	1	....
*Cabinet-makers	....	19	....	2
*Carmen	39	39	....	1
*Carpenters	12	355	27	5
Cigarmakers	8	156	1	....
*Coachmen	107	10	4	3
*Confectioners }	2	....	36	1
*Cooks	95	25	....	6
*Dancing Masters	....	....	....	1
*Draymen	....	....	11	6
Fishermen	....	....	14	....
*Foundrymen	....	....	....	1
Fruiterers-Peddlers	....	9	11	....
Gunsmiths	1	4	1	....
*Laborers	1,144	179	....	15
*Laundresses	....	....	45	13
Milliners	....	....	7	....
Masons-Bricklayers	....	278	10	....
Millers	....	....	1	....
Millwrights	....	....	5	....
*Ministers	21	1	....	1
Nurses-Midwives	....	....	10	....
*Painters-Plasterers	4	28	4	3
Pilots-Sailors	....	2	1	....
*Porters	....	....	5	2
*Ragman	....	....	....	1
Saddle-makers	....	....	1	....
Seamstresses	....	....	196	....
*Servants	808	(d)	37	1
Shipwrights	....	6	6	....
*Shoemakers	23	92	17	7
*Tailors-Capmakers	23	82	48	3
*Teachers	8	12	....	1
Tinners	....	....	1	....
Upholsterers	....	8	1	....
*Whitewasher	....	....	....	2
*Wood-sawyer	....	....	....	1
Other-Unskilled	....	....	21	....
Other-Unclassified	207	....	....	61

(a) *Negro Population in the U. S., 1790-1915*, p. 511.

(b) Phillips: *American Negro Slavery*, p. 403.

(c) Figures copied from *Louisville City Directory*, 1848, by Prof. C. H. Parrish.

(d) No servants were reported from New Orleans.

*These are the classifications reported for Louisville, 1848.

**This is a composite classification. All reports do not have similar occupations.

The materials of Table I compare the occupations and business enterprise of free Negroes in New York City, and New Orleans, for 1850; Charleston, South Carolina, for 1848; with an adequate sample from Louisville for the latter year.

In New York City, in 1850, for example, in forty-seven occupations, enterprises, and professions reported by free Negroes, 1,884 persons were engaged. At the same time in New Orleans there were 1,432 persons employed; in Charleston in 1848, 563; while in Louisville in the same year, 155 free Negroes were reported as engaging in twenty-three occupations.²⁴ It may thus be noted that the scatter of occupations for free Negroes was not so great in Louisville as for the other three cities.²⁵ However, of the twenty-three occupations reported *eight* might have required

TABLE II—CLASSIFICATION OF FORTY-SIX OCCUPATIONS ENGAGED IN BY FREE NEGROES, IN 1848, 1850, IN NEW YORK CITY, NEW ORLEANS, CHARLESTON, SOUTH CAROLINA, AND LOUISVILLE

SHOP TRADES	BUILDING TRADES	PERSONAL SERVICE
Bakers	Carpenters	Barbers
Blacksmith	Masons	Dancing Masters
Bookbinders	Painters	Nurses-Midwives
Butchers	Shipwrights	Seamstresses*
Cabinet Makers		Shoemakers
Cigar Makers		Tailors
Confectioners*		
Gunsmiths		
Milliners		
Millwrights		
Saddlemakers		
Tinners		
Upholsterers		
DOMESTIC SERVANTS	SEMI-DOMESTICS	UNSKILLED LABOR
Servants	Coachmen	Boatmen
	Cooks	Stevedores
	Porters	Carmen
	Whitewashers	Draymen
	Wood-sawyers	Laborers
		Laundresses
SEMI-SKILLED LABOR	ENTREPRENEURS	PROFESSIONALS
Fishermen	Confectioners*	Teachers
Foundrymen	Fruiterers	Ministers
Millers	Ragman	
Pilots		
Seamstresses*		
Apprentices		

*Occupations marked with an asterisk are included in two classifications. The difference is indicated in How and Where their occupation is pursued.

capital and materials, provided the person reporting had actually entered business; while four needed only tools as a prerequisite for operation. Thus it is possible to imagine that, in 1848, there were seven types of Negro business in Louisville, namely: barber-shops, cabinet shops, a confectionery, drayage and moving establishments, a ragman, shoemakers, and tailors; and four occupations, viz: carpenters, whitewashers, painters, and wood-sawyers. These latter doubtless possessed only tools, but they were nevertheless "in business for themselves."

To continue the comparison with the aforementioned cities, we may indicate the rank of occupations as reported for Louisville and compare that with consequent ranks obtained in the other cities. From the result, it may be seen that Louisville resembles New York more than it does New Orleans or Charleston.

The resemblance is focused with more clarity, however, if we divide the occupations into types, as suggested by Phillips—namely: shop trades; building trades; personal service; domestic servants; semi-domestic servants; unskilled laborers; semi-skilled laborers; professional persons; and, entrepreneurs.²⁶ If we then calculate the per cent of each engaged in by free Negroes, we discover that Louisville again tends to resemble New York more than New Orleans or Charleston. For example, in New York, the rank is, in the order named: unskilled laborers, semi-domestic em-

TABLE III—PER CENT OF FREE NEGROES ENGAGED IN CLASSES OF OCCUPATIONS, IN FOUR CITIES, IN 1848 AND 1850

CLASS OF OCCUPATION	PER CENT OF FREE NEGROES ENGAGED			
	1850 NEW YORK	1850 NEW ORLEANS	1848 CHARLESTON, S. C.	1848 LOUISVILLE
Unskilled Laborers	42.19	14.52	12.83	62.59
Domestic Servants	0.0	0.0	6.09	0.64
Semi-Domestic Servants-Employees	6.05	1.95	7.40	8.39
Shop Trades	1.41	12.55	3.95	1.28
Building Trades	0.48	37.22	7.89	5.16
Personal Services	5.03	12.00	46.88	17.42
Semi-Skilled Labor	0.01	0.33	5.92	0.64
Business Enterprisers	0.15	4.07	.....	1.28
Professional Services	0.86	0.72	.....	1.28

ployees, personal service, shop trades; in New Orleans, building trades, unskilled laborers, shop trades, personal service, and entrepreneurs; in Charleston, personal service, unskilled laborers, building trades, semi-domestic employees, and domestic servants; in Louisville, unskilled laborers, personal services, semi-domestic employees, building trades.²⁷

The picture is made more graphic, perhaps, if we exhibit the first *ten* occupations reported in the four cities, as for example:

TABLE IV—THE TEN OCCUPATIONS HIGHEST IN APPEARANCE AS ENGAGED IN BY FREE NEGROES IN NEW YORK CITY, NEW ORLEANS, CHARLESTON, AND LOUISVILLE, IN 1848 AND 1850

LOUISVILLE	NEW YORK CITY	NEW ORLEANS	CHARLESTON
Barbers	Laborers	Carpenters	Seamstresses
Laborers	Barbers	Masons	Tailors
Laundresses	Coachmen	Laborers	Laundresses
Shoemakers	Cooks	Cigarmakers	Servants
Cooks	Carmen	Shoemakers	Confectioners
Draymen	Butchers	Tailors	Carpenters
Carpenters	Boatmen	Barbers	Apprentices
Painters	Shoemakers	Carmen	Shoemakers
Coachmen	Tailors	Boatmen	Barbers
Tailors ^o	Ministers	Painters	Fishermen
Unclassified ^{o,28}	Unclassified ^{o,28}	Unclassified ^{o,28}	Unclassified ^{o,28}

^oThese are composite classifications.

In summary, it may be shown that "New York's poor showing as regards colored craftsmen, however, was due mainly to the greater discrimination which its white people applied against all who had a strain of Negro blood."²⁹ Woodson remarks that, in the North, "most Negroes who had become free as a result of manumission had been dependents so long that they lost their initiative. When thrown upon their own resources where they had to make opportunities, they failed."³⁰

In, therefore, comparing the development of business among free Negroes in New York and Louisville,—and noting the resemblance between them,—it should be noted that Louisville is situated in a Border State, partaking both of the attitudes of the North and the South. There was however, this difference: the attitude of white people toward Negroes either as skilled workers, artisans, mechanics, or small enterprisers seemed to be more liberal in Louisville than in New York. For this reason, occupational skills and business enterprise among Negroes in Louisville, although

molded largely in the pattern set by the North, were nevertheless modified by more tolerant attitudes of the South.

Two variations need to be noted here: there was only one minister in New Orleans or Louisville, while there were twenty-one ministers in New York. There was only one teacher in Louisville; while there were twelve in New Orleans, and only eight in New York; but the rate was higher in Louisville.

It may be indicated then with certain reservations that, if the development of business enterprise among Negroes in Louisville had been formed by 1850, and if that business developed apace with the development of Louisville, and with the increase of Negro population, we may expect to find at a later date, a type of development which resembles the former, and differs only in amount and size.

As a matter of fact, this conclusion is taken for granted today in Louisville. It is frequently remarked that Negroes nowadays follow largely the occupations, and enter into such businesses as have been engaged in for many years. In the drayage business, for example, the competition between white people and Negroes,—which was apparently not so strong in 1850,—has grown so great, that, in advertisements in the Louisville Telephone Directory for 1944, comparatively all the white firms indicate their ownership and operating force by such terms as “experienced white help,” or “white firms,” “white movers,” or some term to distinguish them from the many Negro companies which advertise in the same section of the Directory.

Common opinion, in Louisville, seems to be that Negroes possessed a monopoly of the drayage and hauling business as early as ante-bellum days. One well-to-do Negro of the city, in fact, boasts that he laid the basis of his fortune in the moving and hauling business before the white movers entered the field. Today, there may be seen on the streets, vans and wagons belonging to and operated by Negroes.

The question then arises—To what extent have Negroes continued in the businesses in which they, or their ancestors, engaged in ante-bellum days? Along with that question will be—How has business among Negroes become differentiated from, or developed into, types of businesses operated by white people? Is there a continuous development in business enterprise among Negroes in Louisville? To what extent can it be discovered that the traditions,

originated in ante-bellum days, and set by free Negroes, still operate, either to develop monopolies for Negroes in certain types of business, or to give them advantage in competition with white business men in the same fields? In what type of business, in 1942, do Negroes in Louisville engage? How have Negroes met their emergent business needs? What especial training do they receive in business management? Can it be determined that the pattern of enterprise established by free Negroes has operated to give Negroes of the 20th Century in Louisville any advantage? How has the business organization met the needs, as well as the requirements, of the Louisville Negro community? In short, what of business development, among Negroes in Louisville, its history, present situation, and future possibilities?

— If business enterprise and occupational specialization have developed from the same source,—the free Negro,—how has the tradition been continued, in Louisville, since the Emancipation? What changes have been exhibited in types of, and numbers entering the, occupations already adumbrated, among free Negroes, in 1850? What specific skills, if any, are needed, or present, or available to Negroes in Louisville, which would enrichen their economic life, or make existence economically more sound?

To answers to such questions the ensuing chapters will be devoted. The materials presented will not deal alone with retail business, nor alone with business which requires capital investment; it will seek, in addition, to outline and to present the occupations in which Negroes are, as of 1942, engaged, and which require for continuance managerial and operative skills.

The resulting picture, it is hoped, will exhibit a cross-section of *business enterprise* among Negroes in Louisville, in 1942, and may be projected into whatever future seems to be required by the conclusions reached. It will be, in short, a picture of those types of economic enterprise which require that persons invest capital funds, or engage in retail dealerships, or gain a livelihood by skills which require expertness and experience.

To the extent that the approach to the materials is valid, conclusions and findings *should* exhibit a general index of business among Negroes. Such variations as might be encountered would doubtless indicate that local circumstances tend to make of every similar situation one which is, at the same time, both unique and general.

FOOTNOTES—CHAPTER I

¹Collins, L., *History of Kentucky* (Covington, Ky.: Collins and Co., 1874), II, p. 20.

²*Ibidem*, II, p. 355.

³Casseday, *History of Louisville* (Louisville: Hull and Brother, 1852), p. 52.

⁴Collins, *op. cit.*, II, p. 372.

⁵Casseday, *op. cit.*, p. 96.

⁶Phillips, Ulrich B., *American Negro Slavery* (New York: Appleton, 1918), p. 425; from "Manuscript transcript in the file of *Powers of Attorney*, I, p. 243, among the County records at Louisville, Ky."

⁷Woodson, Carter G., *The Negro in Our History* (Washington: Associated Publishers, 1927), p. 259.

⁸*Abstract of the 15th Census, 1930* (Washington: Govt. Printing Office, 1933), p. 23.

⁹*Ibidem*, pp. 22-23.

¹⁰*Second Census of the United States*, p. 2-P.

¹¹*Abstract of the 15th Census, 1930*, in loc. cit.

¹²Collins, *op. cit.*, p. 260.

¹³Casseday, *op. cit.*, p. 202.

¹⁴*Op. Cit.*, in loc. cit. Figures are "said not to be authentic."

¹⁵*Seventh Census of the U. S., 1850* (Washington: Robt. Armstrong, 1853), pp. 611, 612.

¹⁶Collins, *op. cit.*, p. 260.

¹⁷Materials collected and listed by Professor C. H. Parrish, Jr.

¹⁸*Abstract of the 15th Census, 1930*, pp. 22-23.

¹⁹Collins, *op. cit.*, p. 260.

²⁰*Negroes in the U. S., 1920-1932* (Washington: Govt. Printing Office, 1935), p. 55.

²¹See on this point, Doyle, Bertram W., *The Etiquette of Race Relations in the South* (Chicago: University of Chicago Press, 1937), p. 93.

²²Washington, Booker T., *The Story of the Negro* (New York: Doubleday, Page, II Vols., 1909), I, pp. 195-196.

²³Woodson, C. G., *The Negro in Our History*, p. 246.

²⁴See Table I.

²⁵On the other hand, the figures are doubtless uncorrected for Louisville. The census for 1840 reports 609 free persons of color, and the City Directory of Louisville for 1848 reports only 155 persons of such class. Therefore, to arrive at the calculated total of free Negroes in the city,—employing a device widely used by Chambers of Commerce,—if we multiply the number of heads of families,—doubtless the classification in the Directory of 1848,—by $2\frac{1}{2}$ and thus arrive at the number 388, the result is still below the census for 1840. We must therefore conclude that although the number of free persons of color is undoubtedly erroneous, the occupational report and listing apparently is correct.

²⁶See Table II.

²⁷See Table III.

²⁸"Unclassified" or "not given" occupations rank first, in Louisville, and second, in New York.

There are no "unclassified" nor "unskilled" occupations reported for New Orleans; and the actual rank of "unclassified" but NOT "unskilled" occupations in Charleston is 8.5.

²⁹Phillips, *op. cit.*, p. 439.

³⁰Woodson, *op. cit.*, p. 249.

CHAPTER II

THEN AND NOW—WHAT HAS HAPPENED IN THE FIELD OF EMPLOYMENT IN LOUISVILLE?

The years roll on—as years are wont to do. In the two decades from 1850 to 1870, Louisville reached a population of 100,000 and entered the charmed circle of cities. Meanwhile, the Civil War had been fought, and four million Negro slaves had been emancipated under conditions that could be expected to effect significant changes in both their civil and economic status; and that not only in Louisville, but also in Kentucky and in the United States.

Before the Emancipation, freedom for a Negro frequently indicated that he possessed or had developed certain occupational skills. Moreover, once he had become a freedman, he might enter occupations and acquire skills that were not always considered consistent with slave status. However, when freedom had become universal, and no longer could be considered as a symbol of, nor a reward for, occupational skill, the question would naturally arise—What, among the freedmen, and in the period of freedom, will be the fate of the occupational skills exhibited so noticeably by free Negroes prior to 1865?

One answer was that the freedman sought to test his freedom first by moving about. As a result, Kentucky lost some of her Negro population directly before 1870 and in each census year in which the number was odd,—as for example '70, '90, and 1910,—for forty years. Such a condition was not conducive to the attainment of skills—moreover, opportunity for Negroes appeared to be clogging up in Kentucky, for whereas their percentage in the State population steadily declined after 1830, it was not until 1910 that the State percentage actually dipped lower than the national average. It is significant, in this regard, to note also that the actual number of Negroes in Kentucky decreased from 1910 to 1930.

Conclusions, deduced from such limited information, are perhaps unwarranted. It is known, however, that although a state may decrease in population, its cities may on the other hand increase. In Louisville, strange to note, there has been an actual

decrease of the Negro population from 1930 to 1940. However, from 1930 to 1940,—a period of change from depression to activity,—the decrease of the Negro population was less than one per cent. The question is then forced—Was the Negro population of Kentucky and Louisville, from 1910 to 1940, looking for wider occupational opportunity? If the answer be in the affirmative, then the result can be observed in the occupational and business statistics of Negroes in the State and City for the period under discussion.

It has been noted that male Negro skilled workers, such as most of those described in the occupations of free Negroes, depend upon certain industries for their employment. The most important of these was the building industry, "in which Negroes in the South, at the close of the Civil War dominated the skills."¹

True, Louisville increased thrice in size from 1870 to 1930. Consequently this must have been a period of remarkable building activity. However, it is an open question if Negroes received proportionately greater opportunity in the building trades during that time. It is known that skills in building trades had not been overabundantly attained by free Negroes prior to 1870; it is also known that slaves, as compared with free Negroes, did possess greater training in both building and construction trades. It may be assumed that since the slaves had been emancipated, and since they possessed the skills necessary for such activity as then existed in Louisville, opportunity for occupational advancement was open to them as freedmen.

Both of the statements given above are hypothetical. The one fact which stood, and still stands out, is that since the Emancipation, in comparatively all portions and cities of the United States, the occupation of laborer, which, of course, is unskilled labor, has included, and still includes, by far the largest number of Negroes in gainful employment. If, then, occupational specialization among Negroes in Louisville is shrouded in darkness for the period from 1870 to about 1930, we may still say that there has been progress. That progress may perhaps be shown in tables of employment for Kentucky, and for Louisville, for later years.

It cannot be said that, even in these instances, the development has been continuous. It is more likely true that we get cross-sections of the occupational situation at widely separated periods. To do more than hazard the opinion that the trend is otherwise, would be entirely a conjecture.

One cross-section view of the dispersion of Negroes in types of employment may be gained from an analysis of the occupations in which those persons were engaged in 1910, as compared with 1850. In 1850, the number of occupations in which free Negroes were engaged, for two states and two cities, was seventy-one.² In 1910, for the United States, the number was seventy-nine for men and twenty-two for women, a total of one hundred and one in all—not counting the classification “all other.”³ It is significant to note, however, that there are twenty separate classes of laborers to be found in the list.

When the same listing is broken down into “industrial and trade groupings,” and the occupations tabulated, the number in virtue of the finer classifications is one hundred fifty-three, distributed as follows:⁴

TABLE V—INDUSTRIAL AND TRADE GROUPINGS OF GAINFUL WORKERS AMONG NEGROES, IN 1910, BY GROUPS

INDUSTRY	NO. OF GROUPINGS
Agriculture, Forestry, Animal Husbandry	3
Extraction of Minerals	9
Manufacturing—including Hand Trades	85
Transportation—Communication	10
Trade, Banking, Insurance, etc.	5
Service Groups	3
Professional and Semi-Professional Services	38
Total	153

If, for the same year, we consult the tables for Kentucky, we shall find that seventy-six occupations are listed for Negro males, and *every one lists some Negro male employed in it*. Of the twenty-two listings for Negro women, twenty-one are represented for Kentucky.⁵

Twenty years later five hundred thirty-three separate types of employment were listed,—in the 15th Census,—for Negroes.⁶ These were later classified into seventy-six groupings and classifications. Negroes in Kentucky were represented in *sixty* of the classifications. The absence of listings in the *sixteen* classes was doubtless due to: a) absence of certain types of industry in Kentucky; b) classification under some other head; c) perhaps, failure to employ Negroes in certain types of work, in the State. The omitted classifications are:⁷

Fishermen and Oystermen

Laborers in.....	{	Auto Factories
	{	Car and Railroad Shops
	{	Domestic-Personal Service
	{	Fertilizer Factories
	{	Lime, Cement, Artificial Stone
	{	Petroleum Refineries
	{	Slaughter-Packing Houses

Longshoremen, Stevedores

Iron Molders, Founders

Operatives in.....	{	Auto Factories
	{	Saw and Planing Mills
	{	Slaughter-Packing Houses
	{	Suit, Coat, Overall Mfg.

Sailors and Deckhands

It should, moreover, be noted that eighteen separate classes of laborers and nine classes of operatives are listed for manufacturing. Negroes were employed in eleven of the former, and five of the latter, classifications.

Since, however, our main interest is in Louisville, we may note that for the same year, 1930, *one hundred thirty-four classes* of occupations were listed, and Negroes were represented in *one hundred and sixteen* of them. Moreover, the numbers so engaged were not insignificant, as the following table shows:

TABLE VI—CLASSES OF OCCUPATIONS, AND NUMBERS ENGAGED IN THEM, BY RACE—LOUISVILLE, KENTUCKY, 1930^a

INFORMATION	TOTAL	WHITE ENGAGED	NEGRO ENGAGED
Number of Occupations Reported	134	134	116
Number of Persons in Occupations	98,497	82,088	16,387

The eighteen classifications, in which there were no Negroes, are:

All other than Owner or Laborer (farm)	Artists, Teachers of Art, Sculptors
Pressmen and Plate Printers	Draftsmen
Inspectors-Steam Railroad	Civil Engineers
Locomotive Engineers	Mechanical Engineers
Advertising Agents	Millwright

Conductors-Steam Railroad	Stock Brokers
Conductors-Street Railroad	Loan Brokers
Telegraph Operators	Laundry Owners, Managers, etc.
Commercial Brokers	Mining Engineers

The list represents skilled labor classes, business enterprise, and personal initiative groupings, of which it may be said: a) doubtless Negroes were excluded from certain skilled occupations in 1930, in Louisville, as elsewhere; b) absence from certain other listings indicate lack of interest of Negroes in some types of occupation, and lack of means for others, especially those which require extensive capital; c) there are some classifications not represented in Louisville, such as artists, in which there is no exclusion practiced, but in which Negroes are represented in other communities.

A progress chart of occupations for Negroes, comparing Louisville, in 1848,—for which the figures are admittedly inaccurate,—with the State of Kentucky in 1910 and 1930, and with Louisville for 1940, will indicate the trend in such occupations (See Table VII). In 1848, in Louisville the appearance was: barbers, laborers, washer-women, shoemakers, cooks and draymen, and carpenters; in Kentucky, for 1910,—when materials for Louisville are not available for this study, as also for 1930,—the order is, servants, laborers, draymen, porters, carpenters, barbers; for 1930 in Kentucky, the order is, servants, laborers, chauffeurs, teachers, barbers, draymen; for Louisville, in 1940, the order is, servants, laborers, chauffeurs, cooks, foundrymen, teachers.

This is doubtless the true direction of employment for the period,—showing a remarkable similarity over a period of one hundred years,—with the exception that shoemakers and carpenters drop out of the first six leading classifications, and chauffeurs and teachers enter.⁹ Chauffeurs, on the one hand, might be called glorified coachmen and draymen, according as they are employed by private families or companies and industries; but teachers represent a significant trend, namely: the professional field is opening for Negroes in Louisville, Kentucky, and the United States generally.

It is the significant trend of Negroes dropping out of skilled and semi-skilled occupations that constitutes a necessity of focusing attention at those points. The number of carpenters and shoemakers, along with tailors, decreased in the State from 1910

TABLE VII—COMPARATIVE CROSS-SECTION VIEW OF OCCUPATIONS LISTED FOR FREE NEGROES IN LOUISVILLE, 1848, AND OCCUPATIONS FOR NEGROES IN KENTUCKY FOR 1910, 1930—AND LOUISVILLE, 1940

	LOUISVILLE 1848	KENTUCKY 1910	KENTUCKY 1930	LOUISVILLE 1940(g)
NEGROES ENGAGED—ALL OCCUPATIONAL GROUPINGS	155(k)	89,018(i)	106,572(j)	11,068 Men 7,291 Women
Number of Occupation Groups	23	61	76	143 M 55 W
Barbers-Hairdressers	16	725	786	167
Boatmen-Rivermen	1	20	.....	3
Cabinet Makers	2	.....	.....	5
Carmen	1	.....	.....	.....
Carpenters	5	813	589	62
Coachmen }	3	{	{	{
Chauffeurs }	.....	93	2,226	911
Confectioners	1	.....	(c)	3(h)
Cooks	6	(e)	(b)	424(f)
Dancing Masters	.....	.....	.....	.....
Draymen-Teamsters	6	1,920	734	.....
Foundrymen (Laborer)	1	224	279	368
Laborers-Store	.....	1,545	1,473	389
Laborers-General	15	7,322	3,687	3,552
Laborers-Except Store	.....	10,509	9,935	.....
Ministers	1	649	711	97
Painters	3	220	241	76
Pavers (Laborers)	1	(d)	(d)	115
Porters-Except Store	2	1,887	2,085	2,120
Ragman	1	.....	.....	.....
Servants	1	3,862	19,464	631(f)
		18,886(l)		5,613
Shoemakers	7	120	73	8
Tailors-Capmakers	3	173	97	15
Teachers	1	321	1,615	330
Whitewashers	2	.....	.....	.....
Washerwomen-Laundresses(m)	13	268(a)	608(a)	216(f)
Wood-Sawyer	1	43	21	.....
Other-Not Specified	61	6,111	20,389	.....
Retail Dealers	.....	542	597	268(h)

a. Not in private families; called "laundry operatives."

b. Included as "servants."

c. Classification not included.

d. 1,077 "road and street laborers" in 1930; 1,614, in 1910.

e. Doubtless included as "servants."

f. "Except in private family."

g. From 16th Census, 1940, *Population*, Vol. IV, "Labor Force," Part 3 (Washington: Govt. Printing Office, 1943), pp. 143-154.

h. Figures from materials of this Study.

i. From *Negro Population in the U. S., 1790-1915* (Washington: Govt. Printing Office, 1918), p. 518; "males only."

j. From *Negroes in the U. S., 1920-1932*, p. 305, males and females.

k. From Table I, *supra*, quod vide.

l. Women only.

m. 18,964 laundresses not in laundry were reported in 1910.

to 1930. The development of large scale manufacturing in the field of tailoring might account for the decrease of Negro tailors; but the same cannot be said for carpenters and shoemakers. Generally speaking, there should be more employment for these classes, since there is a larger population, yet Negroes are dropping out of these occupations. Concerning carpenters, for whom there was a decline in five Southern states prior to 1930, one author remarks that:

"The greatest single loss, over the past decade, has been in the number of carpenters, a condition which reflects both technological improvement and displacement by white workers, largely on racial grounds."¹⁰

The decrease according to still other sources, may be due to decline of apprenticeship training for Negroes,¹¹ attributable either to the opposition of labor unions, and/or to the lack of training in formal courses, since apprenticeship to a trade tends somewhat to be displaced by formal education.

At any rate, there is reason to believe that the increase of skilled workers among Negroes has not kept pace with population growth or with technological development. In Louisville, for example, in 1930, a survey reported 1,011 male Negro skilled workers, representing 4.4 per cent of the gainfully employed Negro population.¹²

The entire situation might be summarized by suggesting that since the day of the free Negro, occupations for Negroes have seen three types of development, namely: a) certain occupations have become *outmoded*,—as for example, dancing masters, white-washers, wood-sawyers, and rivermen; b) other occupations have been *substituted* for former ones, due to technological development,—as for example, in chauffeurs for carriage drivers and draymen; c) *new occupations* have developed,—such as skills connected with the establishment and progress of the automobile industry, elevator operation,—while new fields have opened, for dancers, foremen in manufacturing, mail carriers, salesmen, and others. Some persons might add still a fourth classification, namely: the *dropping out* of jobs formerly called "Negro jobs" in which competition with white workers has become more widespread.

On the whole, the increase in number of occupations open to Negroes has doubtless been the most significant development since

slavery. Whatever the losses, and whatever the gains, however, there is doubtless some answer to questions which might be raised, as for example:

The growth of male Negro skilled workers from 1920 to 1930 has not appreciably increased their relative importance among the skilled workers of the Nation.¹³

Returning to Louisville, for a comparison we may note that in that city for 1940, 218 *separate* types of employment were listed for ten *composite* types. Negroes were engaged in 184 of the 218 separate types and were included in all of the ten composite types. Negro men, represented in all composite types, were employed in 143 separate occupations; while Negro women, represented in eight composite types, were included in 41 separate occupations. In other words, 18,258 Negroes, comprising gainfully employed persons in Louisville in 1940, were scattered throughout 184 separate occupations—some of which, of course, were duplicate listings. It is, however, the question—How were these persons distributed in those types?—that concerns us. The following table gives the picture.

TABLE VIII—NUMBER OF COMPOSITE OCCUPATIONAL GROUPINGS REPORTED FOR LOUISVILLE, 1940 (From 16th Census, *Population*, Vol. IV, Part 3, "Labor Force," pp. 143-154.)

COMPOSITE OCCUPATIONS	NO. OF CLASSES ALL PERSONS		CLASSES SHOWING NEGROES		NUMBER OF NEGROES	
Total	218		184		18,258	
	Men	Women	Men	Women	Men	Women
Professional	26	15	15	10	355	359
Proprietors, Managers, Officials	14	6	12	6	284	70
Clerical, Sales, etc.	17	11	14	7	347	135
Craftsmen-Foremen	30		29	33	649	18
Operatives	38	23	34	14	1,803	510
Domestic Service	1	1	1	1	613	5,000
Protective Service	4	1	4	1	107	3
Service Workers (except private families)	10	....	10	10	3,273	1,079
Farm Laborers-Foreman	2	2	1	0	24	0
Laborers	24	3	23	3	3,552	77
Totals	166	62	143	41	11,007	7,251

Laborers, service workers,—including domestic servants,—operatives, craftsmen and foremen, professional persons, clerical and sales employees, proprietors and managers, appear in the order named in number of males engaged. This is a *new* picture.

Operatives, in reality, are but up-graded laborers who have acquired a modicum of skill; craftsmen and foremen indicate up-grading in types of employment requiring higher skills as well as superintendence of persons. Clerical and sales employees indicate business development among Negroes, as indeed do proprietors and managers. The high rank of professional persons, serving as they do an especial group, indicates a gradually developing, self-conscious, Negro group.

Among women, the order of appearance is: domestic and public service, operatives, professional persons, clerical and sales employees, laborers, then managers and officials. This is also a *New* picture.

When we recall that the figures were gathered in 1940, before the period of war industry; and when we are informed that these figures represent *only* persons who were employed at the time of the census, and do *not* represent the entire Negro population with skills required by such occupations, some of whom were unemployed, we are forced to believe that there is a new day in occupations among Negroes in Louisville. Moreover, since the data are prewar in vintage, they seem also to indicate some solid improvement among that group in the city.

Finally, in Table VII (facing page 22, this chapter) it will be noted that there were 542 retail dealers in Kentucky in 1910, and 597 in 1930. Moreover, there were 268 of these dealers in Louisville in 1942, as determined from this study. The figures and the trend are confirmed by the statistics of occupations already referred to previously. There has been significant development of retail business among Negroes in Kentucky and Louisville, since 1850, and doubtless especially during the past twenty years. It is to a consideration of the present situation of business enterprise in Louisville, and to traces of its development in former years, as well as comparison of that development with selected cities, already considered herein, that we shall now turn our attention. For, we are also inclined to believe that such development also represents a *new* picture.

FOOTNOTES—CHAPTER II

¹*The Urban Negro Worker in the U. S., 1925-1936* (Washington: Govt. Printing Office, 1938-40. II Vols.) Vol. II, p. 7, quoting Charles H. Wesley: *Negro Labor in the U. S.* (New York, 1927), p. 142.

²See *Negroes in the U. S., 1790-1915*, p. 511 (Washington: Govt. Ptg. Office, 1918).

³*Ibidem*, pp. 508-509.

⁴*Ibidem*, pp. 509-510.

⁵*Negroes in the U. S., 1790-1915*, pp. 518 and 521.

⁶*Negroes in the U. S., 1920-1932*, pp. 310-327 (Washington: U. S. Govt. Ptg. Off., 1935).

⁷Op. cit., p. 305, q.v.

⁸From *15th Census of the U. S., Population*, Vol. IV, "Occupation by States," (Washington: Govt. Printing Office, 1933), pp. 601-603.

⁹Washerwomen also dropped out, but the censuses changed their classifications so that data are not strictly comparable. In 1940, for example, washerwomen were included among "servants" when they were employed in private families; while the advent of laundries constituted a development which made such services less important, and hence less prominent in census figures, than formerly.

¹⁰Charles S. Johnson, *The Economic Status of Negroes* (Nashville, 1933), pp. 10-11; quoted in *The Urban Negro Worker in the U. S., 1925-1930*, (Washington: U. S. Govt. Ptg. Office, 1939), Vol. II, p. 9.

¹¹See *The Urban Negro Worker in the U. S., 1925-1936*, Vol. II, pp. 7-8.

¹²*Ibidem*, Vol. II, p. 10.

¹³*The Urban Negro Worker in the U. S., 1925-1936*, Vol. II, p. 11.

CHAPTER III

THEN AND NOW—AN OVERVIEW OF RETAIL BUSINESS DEVELOPMENT AMONG NEGROES IN LOUISVILLE

Retail business among Negroes in the United States has definitely arrived. There were 17,569 Negro retail dealers in the United States in 1910¹; 24,969 in 1929; 22,756 in the midst of the depression, in 1935; and 29,827 in 1939.²

TABLE IX—SALES OF EACH GROUP OF STORES IN PROPORTION TO THE SALES OF ALL STORES IN THE UNITED STATES, AND NEGRO PROPRIETORSHIP—SALES OF EACH GROUP OF STORES 1929—(Negroes in the U. S. 1920-1932, pp. 495-496)

GROUPS OF STORES	PERCENTAGE SALES ALL STORES-U. S.	PERCENTAGE SALES NEGRO PROPRIETORS
Food Group	22.07	36.25
Automotive	19.58	9.68
General Merchandise	13.12	0.97
Apparel	8.63	2.99
Furniture and Household	5.61	1.15
Lumber and Building	5.34	1.25
General Stores	5.23	4.78
Restaurants-Eating Places	4.33	21.09
All Other Retail Stores (including secondhand)	3.89	0.97*
Drug Stores	3.44	{
Farmers' Supply	2.29	
Coal-Wood-Ice Dealers	2.06	
Jewelry Stores	1.09	
Cigar Stores and Stands	0.83	
Hardware-Farm Implements	2.49	
Total	100.00	

*Secondhand stores only, not included in "all other stores."

For the year 1930, covering business operations for 1929,—the year of the beginning of the depression, but the end of a golden age of business,—Negro retail stores, as a general trend, were basic commodity businesses. To put it differently, those stores, quite more than a majority, were food stores—either selling groceries, meats, poultry, and vegetables and fruits, or selling those items processed, in restaurants or lunch rooms. This was, and now is, it is occasionally remarked, the pattern for Negro retail business enterprise.

This field offers more extensive and more reliable materials for comparison of Negro business in separate cities, and with the business of the United States as a whole. Therefore, to one extent, we may say that our materials, if not our conclusions, are more reliable, in this respect.³

How did retail business among Negroes, in 1929, compare with the entire retail business of the country for that same year? The answer may be seen in the table on the opposite page.

From the table we may deduce that approximately six out of every ten retail stores, operated by Negroes in 1929, were connected with food sales or service. The picture speaks for itself. Yet, it is significant to note a slight change for 1939, as reported by the U. S. Department of Commerce:

"Of the eleven major business groups . . . eating and drinking places accounted for the greatest number of stores, proprietors, and employees, as well as the largest amount of sales and pay roll . . . Food stores are second in importance, accounting for 37 per cent of the establishments, 33.6 per cent of the sales, 36.4 per cent of the proprietors, 15.7 per cent of the employees, 14 per cent of the pay roll. *These two groups account for 79.3 per cent of Negro-owned stores, 70.8 per cent of sales, 78.9 per cent of proprietors, 76.6 per cent of employees, and 70.5 per cent of pay roll. (Italics Mine.)*⁴

The changes that are exhibited in retail proprietorships among Negroes in the United States, Kentucky, and Louisville over periods from 1929 to 1942, for which data are available, may be found in Table X.⁵

Here again we see that the food group,—including groceries, meat markets, vegetable and fruit stands, confectioneries, and all other food stores,—together with restaurants and eating places, comprise nearly three-fifths of ALL retail stores in 1929 for the United States; approximately seven-tenths of ALL retail business in Kentucky for the same year; nearly four-fifths of ALL business in the United States, in 1939; but slightly less than one-half of the retail business reporting in Louisville, for 1942.

Of this phase, it might with some accuracy be said that Kentucky, in 1929, had already begun to approximate the general pattern of Negro retail business characteristic of the United States ten years later.

TABLE X—DISTRIBUTION OF RETAIL STORES OF NEGRO PROPRIETORS, IN THE UNITED STATES, KENTUCKY, AND LOUISVILLE FOR SELECTED YEARS

KIND OF BUSINESS	PERCENTAGE DISTRIBUTION OF RETAIL STORES			
	UNITED STATES 1929	KENTUCKY 1929	UNITED STATES 1939	LOUISVILLE 1942
TOTAL ALL STORES	24,969	683	29,827	268
Restaurants-Eating Places	21.09	40.12	42.29	36.94
Food Group-Groceries, etc.	36.25	29.41	37.00	10.82
All Other Retail Stores	20.87	19.43	12.22	45.90
Automotive Group	9.68	4.09	4.38	6.34
General Stores	4.78	2.64	0.50	0.00
All Apparel	2.99	1.62	1.12	0.00
Lumber and Building	1.25	0.45	0.15	0.00
Furniture and Household	1.15	0.45	0.22	0.00
Secondhand Stores	0.97	1.18	(1.46)	0.00
General Merchandise	0.97	0.59	0.27	0.00

To state it another way, when to the food and restaurant groups one adds the "other group,"—comprising fuel, ice, and coal dealers, feed and garden supply stores, jewelry, cigar stores, florists, news dealers, and miscellaneous stores,—nearly four-fifths of all retail business among Negroes in the United States, in 1929; nearly nine-tenths of that business in Kentucky, for the same year; over nine-tenths of such business in the United States in 1939; and over nine-tenths of all such business in Louisville in 1942, are included.

The question of development of Negro business in Louisville for the period 1929-1939 cannot be answered directly. Materials available for Negro retail business, for that period, are confined to cities of a population of 50,000 or more Negroes. Louisville, with slightly fewer than 50,000 Negroes, both in 1930 and 1940 census years, is, of course, excluded. There are available, however, comparable materials for Negro business in the United States, and in Kentucky for the years 1929, 1935, and 1939. These data are presented in Table XI, on the opposite page.

For the United States, in this period, the number of stores falls from 1929 to 1935, but rises again by 1939. The index figures for this period and those data are: 100.0, 91.1, and 119.4. The index figures for annual sales, assuming 1929 as par, sink to 48.7 in 1935, and rise to 72.5 in 1939. It is worthy of note that slightly less than three-quarters of the business reported in 1929 was reported in 1939, even though the number of stores was approximately twenty per cent above 1929. It seems reasonable to conclude that: Although Negro retail stores are increasing in numbers, their annual

incomes are consistently smaller. This situation may reflect the rise of the chain store, or perhaps some other factor. We do not have an answer here, but the conclusion suggests a point for study and emphasis in future studies.

The number of employees in Negro retail business for the entire country is likewise increasing. The index figures are: par for 1929 and for 1935; and 114.5 for 1939.

Kentucky, on the other hand shows a constant decrease, though, of course, not at the same rate, for the period. The index figures for the number of stores are 100.0, 84.7, and 83.7 for the years 1929, 1935, and 1939. The index figures for annual sales, for the same three years, are: 100.0, 40.5, and 45.4 respectively. While the index of persons employed drops continuously from 100.0 to 74.1 and then to 60.0.

TABLE XI—THE TREND IN NEGRO RETAIL BUSINESS, 1929-1939:
Number of Stores, Gross Sales, Number of Employees, United States and Kentucky, 1929, 1935, 1939.*

DIVISION AND STATE	STORES NUMBER OF RETAIL			ANNUAL SALES (Add 000)			NUMBER OF EMPLOYEES		
	1929	1935	1939	1929	1935	1939	1929	1935	1939
United States	29,827	22,756	24,969	71,466	47,968	98,602	13,788	12,036	12,036
Index	119.4	91.1	100.0	72.5	48.7	100.0	114.5	100.0	100.0
Kentucky	554	561	662	965	861	2,124	183	226	305
Index	83.7	84.7	100.0	45.4	40.5	100.0	60.0	74.1	100.0

*Materials adapted from *Retail Trade: Retail Negro Proprietorships—The United States—1939*. U. S. Dept. of Commerce, Bureau of the Census, 1941, pp. 6-7.

To determine whether Louisville would follow the example of the United States, or of Kentucky for the period, is at best a matter of judgment. It should be recalled, however, that the population of Kentucky tended to decrease for the period, while that of the Negro population of Louisville *decreased* at a less rapid rate. On the other hand, it has been suggested that, since the majority of Negro retail business is *perhaps* found in Louisville, the figures for Kentucky are doubtless weighted by the development in Louisville. Since the latter hypothesis seems to be the more reasonable, we shall conclude, without exact information available, and assuming that Louisville resembles in business development Kentucky more than the entire United States—that from 1929 to the period of our study, the number of stores was about 17 per cent below 1929; that the annual sales were approximately less than

50 per cent of the 1929 index; and that the number of employees was about three-fifths of the 1929, prosperity year, index. We admit that this interpretation gives Louisville the better part of what can at best be considered but a deficient judgment. We think that it, however, is tenable.⁶

Further inquiry, enabling us to estimate the course of the total retail business in Louisville for the years 1934 and 1942, and to compare that with the estimated Negro retail business, tends to confirm the stated judgment, so far as annual retail sales are concerned; although the increase in number of stores and of employees reflects the trend of Negro business in the United States for the period, and for white business in Louisville, if the index for the white business of Louisville is used as a basis for calculation.

TABLE XII—RETAIL SALES—TOTAL STORES AND SALES, LOUISVILLE AND RETAIL SALES NEGRO OWNED STORES, 1934, 1942.*

KIND OF STORES	NO. STORES	SALES	EMPLOYEES FULL AND PART TIME
Louisville Total—1934	3,952	\$152,850,000	16,092
Louisville Total—1942	4,143	131,004,000	16,595
Louisville Negro Stores (Estimate) 1934	243	2,132,653	596
Louisville Negro Stores 1942, Study	268	1,827,988	616

*Data from: *Statistical Abstracts*, 1934, p. 761; and *Statistical Abstracts*, 1942, p. 975. This source does not list Retail Business by cities for 1930.

It will be recalled that Louisville was compared with New York and New Orleans for the year 1848, to ascertain the relative role of free Negroes and their occupational status in those cities. Some material is available to compare those same cities, with reference to retail business among Negroes—for New York and New Orleans in 1929, and for Louisville in 1942. The data are not, of course, strictly comparable, yet, data for New York and New Orleans, for 1942, or for Louisville, for 1929, were not available for this study. Generally speaking, however, since the data for New York and New Orleans do tend to resemble the trend of Negro retail business for the United States as a whole, for this period, we may use them as an *index*, if not as a *sample*. While, Louisville, on the other hand, to the extent that it fails to approximate the development, or to mirror the changes, of the other two cities,

TABLE XIII—COMPARISON OF RETAIL BUSINESS STATISTICS FOR THREE CITIES—NEW YORK (1929), NEW ORLEANS (1929), LOUISVILLE (1942)

TYPE OF BUSINESS	TOTAL NUMBER STORES			PER CENT STORES—RETAIL			PER CENT AVERAGE SALES		
	NEW YORK 1929	NEW ORLEANS 1929	LOUISVILLE 1942	NEW YORK 1929	NEW ORLEANS 1929	LOUISVILLE 1942	NEW YORK 1929	NEW ORLEANS 1929	LOUISVILLE 1942
Food Group—Total	127	376	29	32.48	48.77	10.82	35.71	52.25	10.96
Groceries	54	10	26	13.81	1.30	9.70	17.08	.79	9.71
Confectioneries	40	112	3	10.23	14.53	1.12	5.65	19.28	1.25
Other	33	254	.....	8.44	32.94	.....	12.98	32.18°	.....
Automotive—Total	22	13	17	5.63	1.69	6.34	5.65	2.40	19.58
Filling Stations	9	7	17	2.31	.91	6.34	3.10	1.84	19.58
Other Services	13	6	.....	3.32	.78	.....	2.55	.56	.....
Restaurants and Eating Places	81	260	99	20.72	33.72	36.94	30.21	23.98	54.40
Other Retail Stores	106	104	123	27.11	13.49	45.90	20.55	17.95	14.61
Drug Stores	9	18	3	2.30	2.33	1.12	3.40	6.43	3.48
Ice—Coal Dealers	2	71	117	.51	9.21	43.66	.47 ^x	7.19	10.55
Miscellaneous Total	95 [‡]	15	3	24.30	1.95	1.12*	16.68	4.33	.58
Reported Here	336	753	268	85.94	97.67	100.00	92.12	97.67	100.00
Classified but NOT CALCULATED here	55	18	.....	14.06	2.33	.....	7.88	2.33	.....
GRAND TOTALS	391	771	268	100.00	100.00	100.00	100.00	100.00	100.00

‡ For distribution see: *Negroes in the United States, 1920-1932*, p. 529, Note 15.

x The figure was not given in the Census (op. cit. p. 525) but was calculated here.

* Three florists comprise this group.

° Vide—op. cit. p. 529, Note 14, for distribution of this class.

may be said to have developed a business type which perhaps characterizes itself more than it resembles the other two cities. These data (see Table XIII) may be reduced to the following generalizations: a) New York, in 1929, was a city in which small *miscellaneous* retail businesses predominated, with restaurants, groceries, confectioneries, and other food stores appearing in the order mentioned; the food group accounted for 53.2 per cent of all stores, but the five types mentioned accounted for only 77.5 per cent of the entire group of Negro retail stores; b) New Orleans exhibited the appearance of restaurants, other food stores, confectioneries, ice-coal dealers, and drug stores, in the order named, with the food stores accounting for 81.2 per cent of all Negro retail stores, and 92.7 per cent of all retail stores represented in the five groups; c) Louisville, on the other hand, mustered ice-coal dealers, restaurants, groceries, and automobile repair and filling stations in the first four places, with confectioneries, drug stores, and miscellaneous retail stores accounting for the fifth place, while food stores accounted for only 47.8 per cent of the *entire* group of stores represented in Louisville by the *seven* types named above.

TABLE XIV—THE FIVE LEADING TYPES AND PER CENT OF EACH TYPE OF NEGRO RETAIL STORE IN NEW YORK AND NEW ORLEANS, 1929, AND LOUISVILLE, 1942.

TYPE OF RETAIL STORE	Per Cent of Each Type		
	NEW YORK 1929	NEW ORLEANS 1929	LOUISVILLE 1942
Miscellaneous Retail	24.30	.....	1.12
Restaurant-Lunch Room	20.72	33.72	36.94
Groceries	13.81	.....	9.70
Confectioneries	10.23	14.53	1.12
Other Food Stores	8.44	32.94	.....
Ice-Coal Dealers	.....	9.21	43.66
Drug Stores	.....	2.33	1.12
Automobile Service	.....	.....	6.34
Total Itemized Types	77.50	92.73	100.00

To put it differently, almost one-fourth of the stores in New York were not found in the five leading groups; only 7.3 per cent of the retail stores in New Orleans were not discovered in the first five groups; while ALL of the Louisville retail stores were found in the first seven groups, if it is noted that confectioneries, drug stores, and miscellaneous retail stores constituted statistically a fifth class composed of three types tied for that position. An inescapable conclusion is that although Louisville again resembles

New York, as when it was compared for 1848, *the scatter of retail business is in no wise so broad as in the former city*. One hundred per cent of Negro retail business in Louisville is restricted to *seven types of businesses*.

These data may be seen more graphically in Table XIV, on the opposite page.

With the income derived from the different types of stores when average sales are used as an index, the picture changes a bit from city to city. New York exhibits in the first five positions, in average sales, restaurants, groceries, miscellaneous retail stores, other food stores, with confectioneries and automobile service tied for fifth place. New Orleans shows other food stores, restaurants, confectioneries, ice-coal dealers, and drug stores, in the order named. While Louisville's list is restaurants, automobile service, ice-coal dealers, groceries, and drug stores. It is significant to note that food stores account for 60.3 per cent of New York's retail income; 75.4 per cent of New Orleans' retail income and 64.1 per cent of the retail income of Louisville; New York will show 27.9 per cent of its income in the first five groups accounted for in other-than-food stores; New Orleans can muster only 13.6 per cent; while Louisville is able to account for 33.6 per cent in other-than-food stores. Again Louisville tends to resemble New York, if the preponderance of restaurant income in the former is submergerd with groceries in the food group. These conclusions may be seen from the following table:

TABLE XV—TYPE OF RETAIL NEGRO BUSINESS AND PER CENT AVERAGE SALES FOR NEW YORK AND NEW ORLEANS, 1929, LOUISVILLE, 1942.

TYPE OF BUSINESS	PER CENT AVERAGE SALES		
	NEW YORK 1929	NEW ORLEANS 1929	LOUISVILLE 1942
Restaurants	30.2	24.0	54.4
Groceries	17.1	.....	9.71
Miscellaneous Retail	16.7	.....	.....
Other Food Stores	13.0	32.2	.....
Confectioneries	5.7	19.3	.....
Automobile Service	5.7	.....	19.6
Ice-Coal Dealers	.....	7.2	10.6
Drug Stores	.....	6.4	3.5
Total Itemized Types	88.4	89.1	97.8

To state it differently again, approximately 11.6 per cent of the retail business of New York is done outside the first six leading types; 10.9 per cent of the retail business of New Orleans is done outside the five leading types; while only 2.2 per cent of the same business in Louisville is done outside the leading five groups. But Louisville tends again to resemble New York and we must conclude that the income from retail business in Louisville is again narrowly restricted.

One further sidelight on this study enables us to throw Louisville over against a background of comparable data. If we note that the total retail business for the city of Louisville, for 1942, the year of this study, was \$131,004,000, employing 16,595 persons full- and part-time; while comparing the retail Negro business of the city at an estimated \$1,827,988; we may see that *the total retail business of Negroes in Louisville was less than 1½ per cent of the total recorded for the year in the city, and the 616 employed persons in the retail stores represent approximately 3.8 per cent of the retail sales labor force.*

True, the sum of \$1,827,988.00 does not represent the *total estimated* business recorded for Negroes in the 654 businesses listed in the directory of classes and types of business. That sum, according to calculations (See Table XVI) would reach more nearly the sum of \$4,687,468.63.

This latter sum, as has already been mentioned, would comprise income from all types of business listed in this study—retail, service, investment, and managerial types—from shoe repair shops, with a total business of \$5,680.00 to insurance companies with an income of \$1,419,983.67⁷; and would include occupational groups, such as painters, plasterers, contractors, and dressmakers; together with such persons as owners of furnished rooms. To repeat, the sum reported represents the amount of money earned by Negroes in Louisville, in 1942, who either invested capital and skills, or the one or the other, with the exception of professional persons. To the extent that the hypothesis is a true one, then the conclusion represents Negro business in Louisville, in 1942, in terms of income; and also tends to represent what Negroes of Louisville have attained in a single year, with the skills and capital invested; considering that those skills began before the Emancipation Proclamation, and have been built upon by descendants of both free Negroes and slaves, while the capital has largely been acquired since 1865.

TABLE XVI—CALCULATION OF ANNUAL BUSINESS—LOUISVILLE
By Number of Businesses times Average Annual Sales of Businesses Studied

TYPE OF BUSINESS	FOR THE STUDY NUMBER OF BUSINESSES	AVERAGE ANNUAL SALES	TOTAL BUSINESS LISTED	FOR LOUISVILLE CALCULATED ANNUAL AVERAGE SALES
<i>RETAIL GROUP</i>				
Food	23	\$ 189,360.40	29	\$ 248,051.52
Grocery Stores	20	152,160.40	26	210,851.52
Confectionery	3	37,200.00	3	37,200.00
Other Food Stores			0	
Automotive	11	54,578.36	17	73,178.56
Filling Stations	2	29,180.00	3	33,670.00
Repair Shops	9	25,398.36	14	39,508.56
Eating and Drinking				
Restaurants-Taverns	51	608,432.04	99	1,181,073.96
Drug Stores	3	75,499.20	3	75,499.20
Other Retail Stores	58	121,363.20	123	250,184.88
Coal-Ice Dealers	52	100,339.20	117	229,160.88
Florists	3	12,600.00	3	12,600.00
Other Miscellaneous	3	8,424.00	7	19,656.00
<i>SERVICE-AMUSEMENT</i>				
Barber Shops	36	65,232.00	47	85,164.00
Beauty Shops	43	77,916.00	66	119,572.00
Pool Rooms	4	42,700.00	4	42,700.00
Furnished Rooms	11	44,906.62	34	138,802.28
<i>INVESTMENT AND OCCUPATION</i>				
Miscellaneous Dealers	15	57,792.60	44	169,524.96
Shoe Repair	2	3,720.00	3	5,680.00
Taxicab Companies	4	79,260.00	4	79,260.00
Dressmakers	10	7,200.00	22	15,840.00
Hauling-Drayage	13	41,424.80	30	95,598.00
Painters-Plasterers	9	19,038.24	22	46,537.92
Cleaners-Tailors	14	49,670.64	24	86,578.24
Contractors	8	83,698.08	12	125,574.12
Junk Peddlers	8	15,436.80	36	69,465.00
<i>INVESTMENT-MANAGERIAL</i>				
Insurance Companies	4	1,419,983.67	4	1,419,983.67
Funeral Directors	14	202,272.78	17	246,831.12
Newspapers	5	85,969.20	5	85,969.20
Printers	3	7,200.00	6	14,400.00
Real Estate Dealers	4	12,000.00	4	12,000.00
Totals	354	\$3,371,854.63	654	\$4,687,468.63

In earlier chapters, we have stated, not entirely without support, that business enterprise and occupational specialization sprang from the same sources among Negroes, but mainly from free Negroes of the period before 1865. There has been an attempt to exhibit the changes in numbers entering, and types of, occupations already adumbrated in 1850, for the city of Louisville,

and an additional exhibit of types of occupations entered which did not appear in 1850. There has been exhibited the form and structure of business enterprise, originally formed and molded by free Negroes, changed to meet conditions of the Twentieth Century.

Ever before us have been the questions—In what type of business do Negroes in Louisville engage? How much of that business is there? How does that business enterprise compare with that of comparable cities for selected dates? There still remain other questions: How has the business organization among Negroes in Louisville met the needs, as well as the requirements, of the community? What especial training do Negroes receive for business? What specific occupational skills do they still need, and what types are open to them, to enable them to become both more effective and more efficient in business enterprise.

These latter questions will need to await later chapters, to which we shall presently turn. Yet, meanwhile we note that, in one respect, the previous chapters have been a History of Progress of Negroes in Louisville. As such, the history stands with both its merits and its defects, to speak for itself. It should be noted finally, however, that the economic life of a group determines largely how that group will assimilate to, or be assimilated by, a given culture. The development of business enterprise and occupational specialization then become indexes to social organization and social adaptation. It is to that phase of the study that we shall now turn, as we take a closer look at the business and occupational life of the Louisville Negro Community, from, as it were, a worm's-eye, rather than a bird's-eye, view.

FOOTNOTES—CHAPTER III

¹*Negro Population in the U. S., 1790-1915*, p. 508.

²*Retail Trade—Retail Negro Proprietorships—The United States—1939* (16th Census of the U. S., 1940, United States Department of Commerce, Bureau of the Census, Washington, August 29, 1941 (Mimeographed release, #20715), p. 1.

³*Retail Trade—Retail Negro Proprietorships, etc., 1939*, p. 1.

⁴*Retail Trade—Retail Negro Proprietorships, etc., 1939*, p. 1.

⁵These materials were adapted from the following sources: *Negroes in the U. S., 1920-1932*, pp. 496, 507; *Retail Trade—Retail Negro Proprietorships—1939*, p. 4; and materials gathered in this study.

⁶During the period there was erected a housing project on the main thoroughfare for Negro business in Louisville. As a consequence, many Negro businesses were required to move or to go out of business. We assume that the latter *may* be true, yet again, we note that this is a judgment only.

⁷From 73rd Insurance Report, Kentucky, 1942, pp. 205, 266, 268, 269.

CHAPTER IV

NEGRO BUSINESSES IN LOUISVILLE, KENTUCKY WHAT THEY ARE AND WHERE THEY ARE

In the summer of 1942, Louisville, Kentucky, the "Falls City," was a sprawling industrial city of 319,077 persons, among whom were counted 46,258 Negroes.¹ Among the nearly fifty thousand Negroes some 654 businesses,—small and large, mercantile and personal service, single proprietors and partnerships, profitable and unprofitable, flourishing and moribund,—from shoe repair shops to insurance companies, were listed as owned and operated by Negroes.²

TABLE XVII—DISTRIBUTION OF TYPES OF NEGRO BUSINESS IN LOUISVILLE AND SAMPLE OF BUSINESS STUDIED IN EACH TYPE.

TYPE OF BUSINESS	LISTED IN LOUISVILLE	LISTED IN STUDY
Mercantile (Retail) Concerns	268	146
Service Establishments	151	94
Investment-Occupation Group	116	41
Skilled Entrepreneurs	83	43
Investment-Managerial	36	30
Totals	654	354

Arranged in type-groupings, the businesses exhibited: mercantile types, such as groceries, restaurants, drug stores, and all businesses requiring buying and selling goods at a profit; service establishments, such as barber shops, beauty parlors, and furnished rooms; businesses requiring investment, but only a modicum of occupational skills, such as taxicab companies, hauling and drayage concerns; skilled entrepreneurs, such as shoe-repair men, painters, contractors, and tailors; and investment-managerial concerns, such as insurance companies, newspapers, and funeral directors. From among these five type-groupings, 354 businesses,—or slightly over fifty per cent of the total,—were studied, with samples more or less equitably distributed, so as to give a valid picture of the entire business organization of the city.³

On the whole, the sampling technique employed seemed to give a greater coverage for the investment group than for any

other, and the least coverage for the investment-occupation group. However, the mercantile concerns and service establishments, along with skilled entrepreneurs, showed, in general, over half of the concerns listed in the city. Again, the order of the frequency of appearance in the city listing and in the sample enumerated tend also to indicate a valid sampling of the materials.

TABLE XVIII—FREQUENCY OF APPEARANCE IN TOTAL AND SAMPLE—NEGRO BUSINESS IN LOUISVILLE

Order of frequency in Total	Order of Frequency in Sample
1. Ice-Coal-Wood Dealers	1. Ice-Coal-Wood Dealers
2. Restaurants and Taverns	2. Restaurants and Taverns
3. Beauty Shops	3. Beauty Shops
4. Barber Shops	4. Barber Shops
5. Junk Peddlers	5. Grocery Stores
6. Moving and Hauling Concerns	6. (Cleaners and Pressers (Funeral Directors)

The over-all picture of the investment, average monthly sales, average monthly gross profit, both in the sample as reported, and for the total as calculated, indicates that no small amount of business is transacted by Negroes in the city of Louisville. The amounts as calculated seem to be slightly greater than the average reported by Myrdal,⁴ in his study of the Negro in America, but are not strictly comparable, for Myrdal reports on retail business, while this study, as already noted, includes retail business, service, and supply establishments, and occupational entrepreneurs.

TABLE XIX—PROPRIETORSHIP, MONTHLY SALES, MONTHLY GROSS PROFITS, MONTHLY NET PROFITS—NEGRO BUSINESS IN LOUISVILLE.

ITEM	ACTUAL AMOUNT FOR SAMPLE	ESTIMATED FOR 654 BUSINESSES	NUMBER IN SAMPLE
Proprietorship	\$840,571.89	\$1,812,548.72	343
Monthly Sales (Income)	162,408.96	290,723.40	334
Monthly Gross Profits	92,889.19	163,649.54	340
Monthly Net Profit	48,971.59	88,056.36	341

In a nutshell, then, we may say that we should *expect* that Negro businesses in Louisville would do an annual business of approximately \$3,000,000.00 with annual gross profits of approximately \$2,000,000.00, and would reap a net profit of nearly \$1,000,000.00, on an investment of approximately one and three-fifths million dollars.⁵

As for preferred types of businesses, considering the factors of average proprietorship, average monthly sales, gross profits, and net profits, some significant conclusions emerge. For example, with reference to average proprietorship funeral directors, filling stations, taxicab companies, confectioners, and grocers,—considering the total investment of all,—have the *highest average proprietorship*, in the order given; while junk peddlers, dressmakers, ice-coal-wood dealers, barber-beauty shops, painters and plasterers had invested, in that order, on the average the least money, and consequently exhibited the *lowest average proprietorship*.

When, however, it was a matter of monthly sales, filling stations, taxicab companies, newspapers, funeral directors, and grocers showed the *highest* average monthly sales, while dressmakers, junk peddlers, barber-beauty shops, ice-coal-wood dealers, and painters and plasterers showed the *lowest* average monthly sales.

The five *highest* average gross monthly profit enterprises were a bit different from the listings given, for, taxicab companies, contractors, newspapers, funeral directors, and filling stations were listed in the order given; while for the *lowest* gross monthly profits, dressmakers, junk peddlers, ice-coal-wood dealers, barber-beauty shops, and groceries showed in that order. Yet, when net profits were considered, on the whole, taxicab companies, funeral directors, filling stations, confectioners, and contractors appeared leading the list, while, reading from the bottom upward, so to speak, ice-coal-wood dealers, junk peddlers, dressmakers, barber-beauty shops, and groceries averaged the *least* monthly net profit.

To put the matter differently, funeral directors, taxicab companies, and filling stations acquire the most favorable listings in Louisville Negro business, or may be said to be the "best businesses" among Negroes in that city. While, in contrast, junk peddlers, ice-coal-wood dealers, dressmakers, and barber-beauty shop operators invest less money, receive less income, exhibit lower gross monthly profits, and "net" less for their services than any other groups.

Some significant exceptions, however, are that grocers are required to have high amounts invested, and take in consequently high sales amounts; yet, for them the gross profit is small, and the net profit is quite comparably as small. Confectioners have large amounts invested, and tend to net incomes almost in proportion to the investment. Newspapers have large sales, and large gross monthly profits, but their overhead is so large that the net profit

disappears from as favorable position as the factors mentioned. And contractors, while showing no large amounts invested, nevertheless exhibit average net monthly income among the first five.

The businesses or trade, or service of junk peddlers, dress-makers, barber-beauty shop operators, ice-coal-wood dealers rank low among Negro businesses in Louisville by every measure adopted herein; but painters and plasterers, while required to have almost no investment, receive a net income greater than their proportionate investment.

Some conclusions, perhaps not too premature, which may be gained from a consideration of the materials exhibited are: a) the amount invested in Negro business in Louisville correlates favorably with monthly sales or income, and gross and net profit; b) certain businesses, like groceries, newspapers, and contracting businesses, exist so near the margin that only heroic measures may be able to salvage them from ruin; c) the barber shop-beauty parlor expansion of recent years, while apparently so glamorous to many, indicates nevertheless that businesses of that type are marginal in character, and that persons who enter them may confidently expect to remain in the lower net income groups.

With the general perspective of Negro business in Louisville, given by the summary submitted, we may then pass from a consideration of the general to the specific businesses and types of businesses. As this is done, one emerging question would be—Where are the Negro businesses located?

The Negro business center, in 1942, had migrated in recent years from the corner of 10th and Chestnut streets,—where in times past the Pythian Temple was erected as a monument to Negro financial ability,—to an area on West Walnut Street bounded on the east by 6th Street, and on the West by, approximately, 18th Street. In width, the central business area is two blocks wide, in general, for one may say that if a business conducted by Negroes in Louisville is not on West Walnut or West Chestnut Street, between the boundaries of 6th and 18th streets, it is either not in existence, or is else located in a Negro neighborhood.

However, the central business district for Negro business,—only a stone's throw from the white shopping center, at 4th and Walnut streets,—exhibits, at night at least, evidences of prosperity, as the neon lights flash their wares and notices along "The Block," as the block on West Walnut Street between 6th and 7th streets is called. By day, the illusion disappears, for in the district may

be seen the larger theaters, sedate and established businesses, rubbing elbows with liquor stores, restaurants, taverns, and hamburger stands, barber shops, drug stores, and an occasional grocery store, in indiscriminate confusion. Yet, in a larger measure, this district is both a neighborhood center and a central district, for along the north side of West Walnut Street from 9th to 13th streets, the Beecher Terrace Housing Project faces; and above the stores and business houses, as well as along the side streets, Negroes dwell so closely that it is occasionally difficult to determine whether the district is a residence or business area. On the whole, however, the characteristic exhibited in this area sets the pattern for comparatively all Negro businesses in Louisville, for the area exhibits a Negro population of almost seventy-five per cent. Moreover, in the remaining five areas in which all of the remaining Negro businesses are located, there is exhibited a large, if not a majority, Negro population. Forty per cent of the businesses studied were located in the "central district"; the remaining sixty per cent in the other five areas.

There remains one other notation concerning the "central district" for Negro businesses, namely: the white business district has, for the last twenty years, been developed south and westward, while the Negro district has been developing north and eastward. To an extent, the ecological process of succession is exhibited in this movement. Its greatest significance, perhaps, may be accounted for if we note that, IF the central Negro business district appears a bit dilapidated it is due to the fact that Negro business has, in the main, only moved into the area after white business had moved out. As a consequence the area has been drained of its essence, so to speak, for many of the buildings had been used up before Negro businesses moved in.

A CLOSE-UP OF NEGRO BUSINESSES IN LOUISVILLE

RETAIL BUSINESS—Two hundred sixty-eight of the six hundred businesses listed for Louisville are retail stores,⁶ in which listing ice-coal-wood dealers rank first; restaurants and taverns, second; next groceries; then filling stations; and for fifth place, confectioneries, drug stores, and miscellaneous retail stores. Most prominent in the entire group, especially if restaurants be counted in the

food group, will be dealers in, or purveyors of, food and food materials.

GROCERIES—On the raw material food side, Louisville supports twenty-six grocery stores. These concerns are, in many cases, also butcher shops and vegetable markets. They account for 9.70 per cent of the number of stores, and attract 9.71 per cent of the sales averages. These stores are almost altogether located in the five Negro areas external to the central district, in fact, at least one of these stores may be discovered in every Negro area of the city. In spite of the low gross profit and net profit, these stores report an average annual income of about \$8,000.00.

RESTAURANTS AND TAVERNS⁷—For prepared foods, ninety-nine establishments are reported, which record an annual income of an average of approximately \$12,000.00. They comprise 36.94 per cent of all retail businesses, and receive as income *over one-half* of all the income of Negro retail business. The extent and growth of this business is, no doubt, due to the large number of single, or homeless, persons, as well as to the fact that white establishments,—that is, those that cater to white trade,—do not cater to Negro trade. In addition, at the time of this study, Louisville was expanding into war industry. Since, in general, war workers, at least the mobile ones, are single men, or married men who have not brought with them their families, restaurants tend to fill the role of eating places for many Negro war workers. Workers who gathered materials for this study noted also a tendency for eating-places to become places of entertainment and social centers for footloose persons. The tavern, distinguished from the restaurant by the fact that it also serves alcoholic beverages, is also enumerated in this classification, which doubtless accounts for the high average annual income. These latter are not only places where food may, and alcoholic liquors always will, be obtained, but serve also as social centers, occasional dance floor, and generally establishments where the noise of the juke-box may be more or less continually heard.

AUTOMOTIVE RETAIL STORES—In general, when automotive establishments are considered as retail establishments, the concession is inferred that they buy and sell goods and materials for automobile. Of the twenty-three automotive establishments discovered in this study, however, only three, in the commercial sense,

could be called retail establishments. These were filling stations. No agencies nor accessory stores were discovered. However, the two filling stations that reported, admitted to annual receipts of approximately \$25,000.00; while the fourteen repair shops reported annual gross income of approximately \$2,700.00 each. It should be noted, however, that the two filling stations reporting are located in the central district, and stand well at the head of the business list by all measures used. The repair shops, however, tend to be well equipped, and generally employ one or more trained mechanics. In the strictest sense, if the materials were separated from the retail business, these mechanics should be counted in the investment-occupation group. However, the gross figures indicate that these businesses comprise 6.34 per cent of the total number in the city, and account for 19.58 per cent of the retail income.

DRUG STORES—Drug stores comprise a separate classification in the Census listing. Three such establishments are reported for Louisville, for which questionnaires were returned by all. They comprise only 1.12 per cent of all retail business, and account for only 3.48 per cent of the income in the total, but their annual average income is over \$25,000.00 each. Truly do they constitute a high-type business from the standpoint of profits. It may be said, however, that, since with one exception, these stores also sell alcoholic beverages, those sales may account for the high receipts.

ICE-COAL-WOOD DEALERS—The most numerous business among Negroes in Louisville is that of retailing ice, coal, and wood. One hundred seventeen such were listed in the city, and fifty-one reported. Thus, comprising about one-sixth of the total retail business, they nevertheless account for only about 7 per cent of the income. And in the retail classification, while they account for 43.66 per cent of retail stores, they take in as income only slightly over 10.5 per cent of the whole. However, the average investment of one of these establishments is less than \$200.00, while the average monthly sales are approximately \$165.00, with gross profits of \$65.00 monthly, and less than fifty dollars as average monthly net profit.

These businesses are usually housed in shanties, or in single rooms—generally the front room of some humble dwelling. Dealers are restricted generally to their immediate vicinities, the trade

area extends only for a few blocks, and the customers, like the dealers, are accustomed to small-scale transactions.

MISCELLANEOUS RETAIL DEALERS—Among remaining retail dealers may be counted three florists, who report an average monthly income of \$350.00. Interviewers of this study reported that the florist is a fixture in the Louisville Negro community, for his wares are required for many formal dances, for "beautiful and expensive weddings," and especially for funerals, for which "the amount of money spent . . . is a rather high figure in proportion to the total amount of business done by these enterprisers."

It is, perhaps, a form of sacrilege to mention junk dealers in the same breath with florists, yet they come under the same classification. In Louisville, there are forty-two Negroes who engage in this type of business activity. As has been noted previously, the junk dealer has the lowest amount invested, and tends to receive also the lowest income. For the eight who reported, the average investment was about \$85.00, and the average monthly net income about \$52.00. And yet, with the low net profit, the ice-coal-wood dealer reported even less.

SERVICE ESTABLISHMENTS—Service establishments comprise barber shops, beauty parlors, furnished rooms, and the dubiously classified poolroom. These enterprises require comparatively little investment, and, in consequence, the returns are also low.

BARBER SHOPS—Thirty-six out of forty-seven barber shops reported to this study. The reported income for the smaller number was \$65,232.00 annually; and the calculated estimate for the entire number was \$85,164.00. In such shops, according to reports of interviewers, the customer may obtain such services as hair-cutting, shampooing, and/or straightening, manicuring, facial massages, tonics, and when required "slenderizing and health-giving baths." With all these services, the average income is, nevertheless, less than \$1,800.00 annually.

BEAUTY PARLORS—The Beauty Parlors or "Shoppes" are a comparatively recent development among Negroes, and yet, operated for women only, they nevertheless exhibit about one-third establishments more than barber shops reporting for the city, and about the same proportion listed in the entire city. The income is, on the average, on a par with the barber shop, but remains around \$1,800.00 annually. However, there are sixty-six such establishments in

Louisville, and the gross business they might report,—at least it is so estimated,—is nearly one hundred and twenty thousand dollars. The Negro woman not only has more personal service establishments than Negro men in Louisville, she also spends about one-third more on her personal beauty requirements.

FURNISHED ROOMS—Eleven managers of rooming houses report a total income annually of \$44,906.62. At the same rate, the thirty-four listed in Louisville would receive a gross income of \$138,802.28. The average monthly income calculates around four hundred dollars per month—undoubtedly a bit high. Yet, this circumstance may be accounted for in the eyes of one observer who says: "One type of business that is still needed, in the city of Louisville, is a first-class hotel large enough to accommodate the steady stream of transients. Until such is available, however, the public will have to satisfy itself with the numerous rooming houses, dotted all over the city." But, he might have added, "generally located in the congested area contiguous to Walnut and Chestnut streets in the central district."

POOLROOMS—For amusement, along "the block," four poolrooms take in an annual income of \$42,700.00, with an average proprietorship of \$1,432.50, and a monthly net income of \$139.44.

INVESTMENT-OCCUPATION ESTABLISHMENTS—NEWSPAPERS—In recent years, the literacy of the Negro has increased appreciably, and with the increase has come a desire for a just, full, and fair presentation of himself, and his activities; and a desire, as well, to read about himself. If the white journals tended mainly to present the criminal or disreputable side of Negro life, in the main, the Negro conceived that journals of his own might the more fairly represent him. Louisville supports five such journals; of which the best known are the *Louisville Defender* and the *Louisville Leader*. These concerns report the highest average proprietorship in the businesses studied, reaching an average of \$17,644.35 each. Monthly sales reach \$1,432.82, gross profits, about \$620.00, but net profits only \$175.12. The overhead for these businesses, as has been mentioned, must be terrific to bring about such a spread between receipts and net income. The paper with the largest circulation reports 18,865 weekly. The others fluctuate, and report that they get the bulk of their business from "street sales."

TAXICAB COMPANIES—By no means the least among Negro business in Louisville, is the taxicab business. Factors which have

contributed to the development of such companies,—of which there are four, all of which reported,—has been the scatter and distribution of the Negro population in the city. On the other hand, there has been little competition from the white cab companies for Negro business, and the Negro concerns have been left to the field.⁸ These four companies report an average annual income of \$20,000 each.

MISCELLANEOUS DEALERS—Forty-three miscellaneous dealers in various and sundry unclassified goods and services, who support mainly small investment occupation enterprises that defy classification under traditional heads, would do an *estimated* annual business of \$169,524.96. In fact, sixteen such dealers reported a total income of \$57,792.60. The enterprises themselves comprise shoe-shine stands, newspaper counters, an occasional stamp and notion store, and one photographer who makes an independent living, with a first-class studio and equipment. On the whole, however, this class contributes only about one-sixth of one per cent of the total retail business of Louisville.

SKILLED ENTREPRENEURS—The skilled entrepreneur is a link with the free Negro of ante-bellum days. It will be remembered that it was stated that Negro business doubtless began largely with this group, and that, in Louisville, the moving and hauling group tended to become traditional for Negroes. In Louisville, at the time of the study, there were listed thirty such companies, from which thirteen reported. They have an average investment of \$1,250.00, realize an average monthly gross income of about \$265.00,—of which \$238.46 is gross profit,—and realize a net income of about \$1,440.00 per year.

THE CONTRACTOR, however, undoubtedly is the cream of the skilled entrepreneur group. He invests an average of \$1,700.00 in his business, grosses about \$850.00 per month, of which nearly seven hundred dollars is gross profit, and about \$290.00 net profit. The annual income of the eight contractors who reported, was over eighty thousand dollars, or an average of over ten thousand dollars.⁹

CLEANING-PRESSING AND TAILORING ESTABLISHMENTS—The cleaning and pressing establishment has superseded, in a large measure, the tailor shop of old. True, in the "shop" small repair jobs may be done, or "orders may be taken" for suits to be tailored in Chi-

cago or some other distant place; but, by and large, the Negro tailor has disappeared from the scene in Louisville—if indeed he was ever as prominent as in Charleston, South Carolina. Fourteen “tailors” and/or pressers and cleaners report an annual income of nearly \$50,000. At the same rate, the twenty-four listed should report about \$87,000. Of this phase, an observer remarks: “The total income from this line of business shows that Negroes are becoming conscious of the asset value of a neat and clean personal appearance.”

DRESSMAKERS—Twenty-two dressmakers tend to report at the bottom of the business list, in average proprietorship, average sales, gross profit, and net profit. The average dressmaker in Louisville has invested \$86.20 in her business, realizes a monthly income of slightly less than \$60.00, of which slightly less than fifty-five dollars is gross profit, and about \$52.00 is net profit. In other words, the dressmaker invests little, and receives, as a result, just as little. Yet, her services are desired, for as an observer reported: “One finds the large department stores in the city to be reluctant about serving colored women in the ready-to-wear departments. This cause, among others perhaps, has given rise to the number of dressmakers who do a fairly substantial business.”

INVESTMENT-MANAGERIAL ESTABLISHMENTS comprise, in the main, funeral directors, insurance companies, real estate dealers, and all businesses whose existence depends more upon managerial and investment skill than upon operative techniques.

INSURANCE COMPANIES constitute perhaps the largest single business among Negroes in Louisville, as elsewhere. Figures reported from the *73rd Insurance Report* for Kentucky, for 1942, assert that four Negro insurance companies in Louisville, for that current year, realized a total income of \$1,419,854.63—an astounding total when compared with the income from the remaining 650 businesses. Yet, since the report from these businesses tended to distort the whole, they were generally omitted from the general report and calculation.

FUNERAL DIRECTORS, on the other hand, are greater in number, and represent also investment and managerial skills. The average director in Louisville has invested \$8,635.00; realizes a monthly income of \$1,293.00; records a gross profit of nearly \$600.00,—which is lowered because of high operating costs,—and receives as net

income over \$470.00 per month. This business is the classic example of a noteworthy Negro business, where the competition is at a minimum, and where the profits are rewarding. The funeral director stands near the head of Negro business in all the measures and indices devised to measure progress. Fourteen funeral directors report an income, annually, of \$202,272.00; and calculated income from the entire total of seventeen would amount to \$246,831.00,—nearly a quarter of a million dollars. Moreover, the funeral director as a functionary, is a symbol of the demands, if not the needs, of the Louisville Negro community. Myrdal remarks that "there has been a close relation between this business and the churches and lodges, which are almost completely segregated, both South and North. And Negro insurance men often work hand-in-hand with the morticians."¹⁰

SUMMARY—There remain other types of Negro businesses in Louisville, but those presented give, in the main, the representative picture. There are, of course, wallpaper cleaners, painters, plasterers, real estate dealers, a sheet-metal worker, and a stove manufacturer—representing almost all the classifications given here. Again we are able to tie this situation in with the free Negro system of apprenticeship and personal growth, for, as an observer remarked: "A number of these men learned their trade under the old apprenticeship system, and are consequently very capable artisans." As an illustration of this latter observation we shall give the story of the one stove manufacturer among Negroes in Louisville.

A UNIQUE BUSINESS—The subject of this sketch learned the stove-making trade in Chattanooga, Tennessee. He removed, in young manhood, to Louisville, where for fifteen years he worked in one of the city's largest foundries. Later, he branched out for himself and opened a stove-repair shop in a residential district. His business prospered, and he went into the manufacture of stoves. At the time when he was interviewed, he was using three helpers on a full-time basis, was selling on an average of five stoves a day, and was making an independent living. The demands of the war were closing upon him, at the time of the study, however, and he had anticipated closing his shop, but to go later to work in one of the war industries, where he could put to good use the training and talent acquired in his chosen trade.

If we have been able to get a close-up of the financial and managerial aspects of Negro business in Louisville, we shall need now to consider the physical appearances of the businesses. In this wise, in the next chapter, we shall see how closely content is related to form.

FOOTNOTES—CHAPTER IV

¹Figures from the U. S. Census of 1940.

²The alphabetical list was: auto service, barber shops, beauty shops, cleaners and tailors, contractors, dressmakers, drug stores, funeral directors, furnished room operators, grocery stores, hauling and drayage concerns, ice-wood-coal dealers, insurance companies, junk peddlers, newspapers, painters, plasterers, printers, restaurants and taverns, all others.

³The listings given in the table (No. XVII) are adapted from Table XVI in Chapter III.

⁴See Gunnar Myrdal, *An American Dilemma: The Negro Problem and Modern Democracy* (New York: Harper and Brothers, 1944), Vol. I, pp. 307-320, but especially p. 307.

⁵These figures disagree slightly with those calculated in Table XVI, for the reason that insurance companies were omitted from this calculation, lest that phenomenon distort unwarrantably the calculations.

⁶The classification used here will be that adopted by the Bureau of the Census in the volumes which we have cited in previous chapters, namely: Food Group, Automotive, Restaurants and Eating Places, Other Retail Stores, Miscellaneous.

⁷A "restaurant" in this study means a lunch-room, hamburger stand, or any place that sells prepared food.

⁸On the other hand, it has been noised abroad that the white and Negro taxicab companies have "an agreement" on competition. White companies will transport Negro passengers only from one railroad station to the other, or from a railroad station to a city address. Negro companies get the remainder of the business.

⁹The average is rather high and may be considered as an *estimate* only.

¹⁰See Gunnar Myrdal, *op. cit.*, Vol. I, p. 317, Note 29.

CHAPTER V

WHAT ARE THE BUSINESSES LIKE—IN APPEARANCE, GENERAL TONE, AND FUNCTIONING?

The description of Negro business in Louisville, as gathered up to the present moment, is a recital of facts that illustrate predominantly what are known as "small businesses." In fact, the average proprietorship of the 348 establishments and concerns for which complete information is available was \$4,161.08; the average monthly sales was \$486.25; the average monthly gross profit was \$273.20; and the average monthly net profit was \$143.61. The cost of goods sold,—found by calculating the difference between the total purchases and the merchandise inventory,—was \$213.05, or approximately 45 per cent of the sales. The average monthly operating expenses,—which is the difference between the average monthly gross profit and the average monthly net profit,—were \$129.59, or approximately 48 per cent of the average monthly gross profit. When it is recalled that the figures for four insurance companies were omitted, lest they distort the entire picture, and when it is restated that the figures are an average, the conclusion is inescapable that since the businesses are predominantly small, they will appear like businesses that operate on a marginal scale, will have the general tone of small businesses, and will function, in the main, like small businesses. There will be both the strengths and weaknesses of small businesses; and such predictions as may be uttered will be for businesses of that type.

In general physical appearance, however, the retail businesses, although they differ from one type to another, are not unattractive. On the other hand, many, if not most, are neither too well lighted nor well painted. And, if in the interior of the stores goods are arranged systematically and pleasingly, most of the window displays are unattractive and confusingly arrayed. In the service establishments, as indeed in many retail stores, the furnishings and fixtures generally represent secondhand purchases. In general then, it may be said that there seems to be a definite need for new equipment to replace the lackluster fixtures now in service.

The tone of the businesses also differs from one type to another. For example, in the businesses in which the Negro owner must meet direct competition with white operators, the former will appear to be of a higher type, and will exhibit noticeable managerial ability. Where the competition is lacking, however, there is too often observed a certain laxness on the part of the proprietor, a tendency toward failure to render efficient service, and especially a failure to keep the premises themselves in an orderly, attractive condition.

If such an overview, however, does not give a true picture of the 654 businesses listed, or of the 354 businesses studied, it is doubtless due to the fact that the variety is rather wide, and that different features and circumstances tend to characterize each type of business. To characterize the different groups would, then, doubtless tend to allow judgment among them, and to relieve the best from the criticism visited upon the worst. If then we follow the classification already used,—of food groups, automotive establishments, miscellaneous retail stores, service establishments, investment-occupation types, skilled entrepreneur, and investment-managerial types,—we may hew more closely to fact as well as justice.

FOOD GROUP—GROCERIES—The business of the average grocer is usually housed in a well-kept building, with modern conveniences. The physical fixtures are generally attractive—consisting of modern ice-boxes, spacious counters, glass showcases, and shelves that usually contain a variety of staple and fancy goods. Most of the stores have vegetable bins that display attractively fresh stocks of merchandise; and breads and pastries are displayed especially conspicuously.

The grocer himself, because of stiff competition offered by chain-stores and independents of the white group, tends to be on the alert for need for change and improvement in his business. He tends to follow price changes, and attempts to offer his merchandise at the lowest possible price. In most instances, he treats his customers with courtesy; and in many instances also extends them credit.

Prices in these establishments, however, tend to be a trifle higher than in white stores of a similar kind. One inference is that this is due to the fact that most colored grocers buy individually, and consequently at higher prices. Again, their turnover is small; and they are excluded from the various trade as-

sociations. They seek to make up for the deficiency in other ways, however—one of which is to employ a delivery boy for the convenience of neighborhood housewives.

RESTAURANTS AND TAVERNS—Of the 99 restaurants and taverns in Louisville, many have sprung up within the last three years, as a consequence of the development of Louisville as a war production center. These establishments have expanded not only in number, but also in size. Many of the taverns especially, which began as one-room affairs have taken over larger quarters, occasionally occupying three or four or more rooms of a residence, now used as a night club.

In general, these establishments are amenable to regulations and requirements of the Board of Health, but the rules are honored, at least from a casual view, certainly more in the breach than in the observance. Too often, at least for taverns, light is considered as an arch-enemy. Tissue paper hangings, to hide the general tawdriness of the places, collect dust and dirt; booths placed along the side of the rooms restrict floor space, and tables in the center of the room make movement almost impossible when customers come in large numbers. One observer remarked, speaking of these places, that—"a coat or two of paint and a few more lights would tend to enhance their appearance."

Restaurants in Louisville, if distinctions are made finer, are generally lunch counters, hamburger stands, and just eating-places. A general overhauling of the majority of them would not be an undesirable procedure. True, the regulations of the Board of Health are supposed to apply to them; however, since establishments may receive different gradings for the relative cleanliness of their establishments, many tend to remain around the "C" or low-grade type. Regulations require three compartments for dishes; the use of disinfectant in the dish water; facilities for washing one's hands; and clean rest rooms. All restaurants do not have these.

In practically every restaurant and tavern may be found a juke-box—from the proceeds of which, as one interviewer noted, the proprietor seeks to pay his rent and electric bills. It might then be said that there is music in these places; but a more accurate description might indicate there is doubtless more noise and a veritable cacophony. And yet, indications point to a profitable intake, if not net income from these businesses, and that

in spite of the fact that "the majority of them have no bookkeeping or checking system whatever."

CONFECTIONERS—Negroes in the South have enjoyed a tradition of being able and efficient caterers, ever since the time of slavery. But confectioners, in the sense of persons who make and sell their wares,—ice cream, sherbets, pastries, and candies,—have been less numerous. True, an occasional Negro may operate a candy shop, but he is a middleman, rather than a manufacturer or skilled tradesman. In Louisville, is one exception to this rule. There is one confectioner who, years ago, began working for one of the larger white confectioners, while his own wife operated a small peanut-and-candy store. Later, this man left the white employer, opened a business of his own, and began to expand. At the time of this study, he was employing more than ten regular workers in his own modern store, manufactured his own ice cream, baked his own pastries, and grossed, in 1942, over \$25,000.00. His establishment,—one among three of the kind,—was neat, clean, well lighted; and the fixtures were both attractive and comfortable.

DRUG STORES—Of the miscellaneous types of retail stores, the drug store is one that offers, perhaps, the largest number of different services. Two of the three Negro drug stores in Louisville "offer all types of service, ranging from the sale of aspirin to serving of hot plate-lunches," sell liquor by the package, carry a rather full stock of drugs and sundries, and fill prescriptions. The third of the group is an apothecary, who specializes in prescriptions alone, and who nevertheless does a substantial business. This latter business bears the stamp of the personality of the owner, of whom it was reported that: "He has an attractive personality, has had long years of experience as a pharmacist, and is very efficient in filling prescriptions, as well as a competent adviser on minor ailments." To make his store more efficient, he employs regularly a delivery boy; and in an emergency will use a taxicab for delivery purposes.

One of the drug stores has been in business for ten years; the other has changed owners three times in the last five years. The outlay of cash to provide the furnishings and fixtures for each store was quite high. Nevertheless they both provide sufficient chairs for customers to rest as they eat, drink, or just socialize; for it is a characteristic of these places that they serve "as general meeting places for the public," since,—it is assumed,—they are centrally located in the business central area.

AUTOMOTIVE ESTABLISHMENTS—Automotive establishments include both repair shops and filling stations, in the purview of this study. The fourteen repair shops are scattered over every section of Louisville where Negroes live. They are generally merely one-room sheds, or garages on the rear of the premises of an owner's home. In some instances the owner has rented or leased a building, originally intended as a one-car garage, and has set up shop. On the whole, however, the equipment of the majority of these places is meager, and the capacity for handling a large volume of trade decidedly restricted.

On the other hand, there are two modern filling stations owned by Negroes. These establishments, as has been mentioned, rate high on the scales of measurement that have been adopted. They have modern equipment; one has four tanks with which to dispense gasoline, a rack for greasing cars, and free-air service; the other has three tanks, an electric hydraulic rack for servicing cars, free-air service, tire repair and battery charging service, and is housed in a brick building that contains rest rooms for men and women. In addition, this latter station employs six men working on various shifts for 24 hours a day.

ICE-COAL-WOOD DEALERS—By far the most numerous of retail dealers in Louisville is the ice-coal-wood man. His business is generally housed in a shed, shanty, or shack,—on which he pays a nominal rent,—his equipment consists generally of a push-cart for delivery purposes, a stove to keep him warm, in winter, while waiting for customers, and an ice-box to hold his wares, in summer.

The proprietor, moreover, is generally the only worker in the place—unless he is fortunate enough to have a large family, from whom assistants may come. In general, the proprietor pays small attention to the appearance of his place. One dealer is reported to have said: "Why clean up in winter, when the coal dust keeps things so dirty? And why clean up in summer, when it is next to impossible to keep the water mopped up, with the ice melting so fast?"

The business is a "small-time" small business. The margin of profit is usually so small that, in winter, the dealer has to pack his coal very gingerly in his sales basket, in order to be sure that he has taken advantage of every air space. In summer, again, since ice melts so fast, the size of the piece that a given customer will receive depends not on weight, but on how much the ice has

melted since the dealer first purchased it, and divided it into small blocks.

THE JUNK PEDDLER—The junk peddler requires for one thing no housing facilities. If ever it may be said of any man that "his office is under his hat," such is undoubtedly true of the thirty-odd junk dealers of Louisville. The junkman is a marginal dealer. He often owns no equipment at all, but rather rents or leases his horse and wagon from a livery stable; and he does this every day. One owner of a livery stable reported, indeed, that it is necessary frequently for him to stake a junk peddler to a certain amount daily, in order that the peddler may continue to stay in business.

The character of this enterprise is marginal, to be sure, yet, with an average reported income of nearly \$2,000.00 annually, it would seem that the junk dealer might have enough left over—or he even might begin with sufficient capital—to allow him to invest something in his "business."

SERVICE ESTABLISHMENTS—BARBER SHOPS AND BEAUTY PARLORS—For service establishments, barber shops and beauty parlors,—or "shoppes" or "salons,"—require an initial investment which is not a negligible amount. Yet, as we have previously seen, these enterprises rank consistently among the last five enterprises, by whatever measure applied.

As for beauty parlors, many of them are attractive in design and equipment. The field seems so glamorous to Negro women, however, that many of them rush into it from the almost ubiquitous beauty "colleges," as soon as they may find a location. Others, graduating from the school of experience,—and occasionally from no other school than that of desire,—set up for business in any available place. The result has been that health organizations have found it necessary to establish equipment and sanitary minimum requirements; and an especial requirement is that no beauty shop be located in a room or location used as a residence. The necessity for this regulation is in itself a comment on the basic requirements of such enterprises or services. When once a woman has graduated from the "kitchen-shop" she tends to realize that eye-appeal is an important adjunct to successful operation, then again, since competition is very keen in this business, new, and often unique, if not peculiar and curious, types of booths, curtains, and decorations tend to appear, as the owner up-grades her shop.

Periodic visits of inspectors from the State Board of Health,—which also requires that such establishments be licensed,—tend to

remind the proprietors of the necessity for sanitation. It should be remarked, however, that these inspections are more directly intended to prevent the spread of skin diseases and other infections that may be caught in these places than to insure soap-and-water cleanliness of the premises. All in all, it is no distortion of facts to state that many, if not most, of these establishments could do with greater physical cleanliness. And this would apply to barber shops, perhaps, more than to beauty parlors.

However, the equipment of these enterprises is generally good; "practically all have electric dryers, scientifically equipped bowls, chairs for curling, waving, and marcelling the hair, and many types of combs. The barber shops, even those using only one chair, are usually equipped with the latest type of barber chairs and other equipment."

ROOMING HOUSES—Lack of sufficient hotel facilities in Louisville make the rooming-house business possible, as well as profitable. The main rooming-house area is contiguous to the central business district, and the establishments themselves are former mansions, or larger houses, which have been abandoned by former owners, and which have been inherited by the rooming-house owners.

The houses are operated on a pay-weekly basis, or on a pay-as-you-enter overnight basis. The rooms are sparsely furnished and furniture consists usually of a bed, dresser, table and chair, and occasionally a stove or a small radio.

POOLROOMS—Still another service establishment, as classified in this study, is the poolroom. "These are generally in the central business district, and are well equipped. Their interiors are not as attractive as they might be, for they are generally dingy and poorly lighted. In some instances, a player must finish a game within a certain limit, or else pay double, consequently, in such establishments, the turnover of the tables would seem to insure a fairly good margin of profit. After the equipment is paid for, the expense of operation is negligible, for replacements are necessary only at long intervals."

INVESTMENT-OCCUPATION ESTABLISHMENTS—Taxicabs and hauling and drayage concerns constitute the main businesses which require relatively a greater investment of money than experience or training for the job.

TAXICABS—Louisville boasts of four taxicab companies owned and operated by Negroes, which have on the streets, practically at all times, thirty-five cabs. The cabs are usually well kept, are equipped with radios, and, in winter, are also heated. The drivers are more or less courteous, a little curious about the customer's personal business, and in some instances have a flare for fast driving.

The companies intimate they have difficulty in keeping on the profit side of the ledger. Managers attribute this largely to insurance rates. In fact, about the time of this study one manager was overheard to say that he intended leaving the business, since his insurance had increased from \$23.00 to \$35.00 per cab per month. This situation was brought about by the large number of accidents attributable to his drivers, and to a corresponding change in his experience ratio.

The office expense for each of these companies is at a minimum, consisting largely of office space, a telephone, and a girl to answer calls, and to direct drivers on runs. Maintenance and upkeep, however, are very high; and wages fluctuate with income, since the drivers are usually paid a percentage of their fares. However, occasionally one will be found who will work on salary and commission.

HAULING-DRAYAGE CONCERNS—Hauling and drayage companies are essentially a small business enterprise. As a business, they lie between investment enterprises and skilled entrepreneur trade and occupation. If in Louisville this has been a traditional occupation for Negroes, it has largely been deserted since the days of the free Negro. The competition, as has been noted, is great; yet that fact can scarcely account for the appearance of many of the vehicles used as trucks.

All of the entrepreneurs do not own their trucks, some lease trucks from other persons and/or companies. Expense should not be great, for few of them have such overhead as office expense. They tend to operate from stands near railway or freight stations, and seek to haul baggage too large for taxicabs, or discover an occasional traveler who may wish his trunk delivered to an address, or transferred to another passenger station. Still others have contracts with grocers, or others, to fetch and carry all heavy goods; while still others specialize in the moving of furniture and household goods.

One drayman, who seems to be an exception, owns and operates

three trucks; contracts with one or two coal companies to deliver coal; and keeps three men regularly employed.

Some few others collect garbage from suburban homes—for which they are paid one dollar per month per home. They either feed the swill or garbage to their own hogs, or sometimes sell to persons who are trying to raise hogs. The routes of these men consist generally of about one hundred and fifty homes, which they collect from twice per week. In general none of these men keep written records.

SKILLED ENTREPRENEURS—It is significant that materials to describe skilled entrepreneurs come almost exclusively from men, tailors and cleaners; and women, dressmakers, who deal almost exclusively with clothing. The men, however, deal seldom with manufacture of clothing, and the women seldom with details connected with cleaning and pressing as a business. What, in former days, might have been a tailor shop is today still called a tailor shop, more or less politely, but it is more correctly a tailoring agency, and a cleaning agency, and pressing establishment. In other words, almost the entire labor of any such shop is devoted to pressing clothing. Tailoring is made-to-order, and cleaning is sent out to the large white concerns which specialize in cleaning.

On the whole, the establishments rendered prompt, efficient, and more or less satisfactory service. The store room itself is on the whole well kept. Work is normally delivered when promised, and generally, though not always, to the proper owners. Because of the exigencies of the business, records tend to be well kept—at least those records that indicate ownership of clothing. However, records for financial transactions frequently are only “pocket records.”

The equipment generally consists of one or more pressing machines, a hat-blocking machine and apparatus, and a shoe-shine stand. Those establishments which make a pretense of tailoring and repair work may also possess a sewing machine.

Dressmakers are more generally skilled operators, though, because of the small investment, they may with difficulty be called entrepreneurs. The dressmaker is generally a one-person business, and is usually located in the home of the person thus engaged. Often no special room is even set off for this purpose, but the bed- or living- or even dining-room may be converted into a sewing room.

Some of these dressmakers, unlike most of the other businesses

discussed in this report, cater to white trade as well as to Negro trade. Indeed, several were discovered who went out several days per week to sew in white homes; while others were employed by white concerns to make draperies, slip covers, and curtains. The equipment in almost all of the cases consisted of a sewing machine and attachments, a large table,—often with a kitchen or dining table doubling in the role,—a few other implements, and occasionally a dummy costumer.

INVESTMENT-MANAGEMENT CONCERNS—The sample business which will be used to illustrate the investment-management enterprise is that of the funeral director. For the funeral director, with his relatively high capital investment, rolling stock is a main expenditure. There is, in addition, expense connected with a house,—generally a converted mansion,—large enough to house the activities of the establishment. This latter usually contains a chapel in which small funeral services may be conducted, an embalming room, a slumber room, and generally an office.

Appearance, however, seems to be an important factor in this business. Consequently, the average director will purchase equipment and rolling stock as imposing as he can afford, and will contrive some way to keep his vehicles clean and shiny. Therefore, whether the funeral car and passenger automobiles are Fords or Packards, or even Buicks,—for which latter there seems to be an inordinate fondness,—they make a good appearance. The premises of the average funeral home, however, do not always share in this record for cleanliness and attractiveness.

The director himself,—who generally prefers to be called a mortician,—tends to be suave and ingratiating, since he is not only a manager, but an investor with no mean investment at stake. As a result of that situation, perhaps, and certainly due to the fact that many funerals are paid for on the instalment plan, the seventeen directors,—from whom fourteen reported,—tend to keep more elaborate records than many of the businesses studied.

Land, labor, capital, and management are four essentials of general economic enterprise. Land has been a negligible factor in these businesses; we have sought to evaluate and describe the role of capital investment and the labor of entrepreneurs. If we might now look at management, to see who the manager is, how he has come to be a manager, and what attributes he possesses, we may fill in the details of a picture, and thus give a clearer view of Negro business in Louisville.

CHAPTER VI

THE NEGRO PROPRIETOR

Who is the Negro proprietor? What sort of a person is he—or she? What preparation has he had for the business in which he is engaged? What relation, if any, is there between his personal habits and the success of his business? To what extent is he conscious of his limitations? What are his attitudes toward self-improvement? In this chapter we shall attempt to determine the extent to which our data provide answers to these and other similar questions that appear to be pertinent to the further evaluation of Negro businesses.

Overlooking for the moment the significant variations among proprietors of different businesses, certain gross observations may be made. Most of the proprietors are over forty-five years of age,¹ were born in Kentucky, though not necessarily in Louisville,² and had been in business ten years or more at the time the survey was made.³ Fifty-seven per cent of the proprietors have had at least eight years of formal schooling, and are, therefore, somewhat better prepared academically than the average Negro adult.⁴

Comparatively few (19.1 per cent), however, have had any specialized training for the business in which they are engaged, and less than one-third (31.4 per cent) served as apprentices before going into business for themselves. Nearly one-third of the proprietors operate their businesses in their homes and one in five proprietors has some other occupation aside from his business. As might be expected from the fact that we are dealing with small businesses, the Negro business man is usually (in 86 per cent of the cases studied) the sole proprietor of his establishment and, characteristically, carries on his business on a personal rather than an impersonal basis.

AGE AND NATIVITY—The foregoing descriptive statements require some qualification in terms of the specific type of enterprise in which the proprietor is engaged. In making such qualifications, however, our analysis will be limited to the business types included in the sample for which a sufficient number of cases is available

and in which there is revealed some striking deviation from the general average. With respect to age, for example, over seventy per cent of both the ice, wood, and coal dealers and the operators of undertaking establishments are over forty-five, but in the case of the latter there are no proprietors who are over sixty, whereas one-fifth of the ice, wood, and coal dealers fall in the "over sixty" age grouping. Relatively more older men are found among barbers and grocers (25 per cent each in the "over sixty" group) than among any of the other proprietary classes, although the percentages over forty-five do not deviate markedly from the average. Women are notoriously reluctant about revealing their ages and we must accept with caution the low percentage of beauticians who gave ages above forty-five, but it is perhaps significant that there are no dressmakers who listed themselves as being under thirty-six. Although the meaning of these variations in age is by no means clear, there is at least suggested the notion that those businesses in which there is unusual concentration in the older age groups are not being sufficiently revitalized by the infusion of new blood to warrant any great hope for increase either in their numbers or efficiency.

Four out of five restaurant proprietors, nearly four out of five funeral directors, and better than nine out of ten movers and packers were born in Kentucky; whereas, at the other extreme, the native-born proprietors among the grocers, the barbers, and the ice, wood, and coal dealers constituted only a little more than half the respective totals. The comparatively high percentage of native-born movers bespeaks the indigenous nature of this type of business, just as the lower percentage of Kentucky-born dealers in fuel or junk suggests the marginal character of these occupations. It seems probable that junking and the ice, wood, and coal business, because of the relatively small capital outlay required, are particularly inviting to older migrants who are unable to find any other place in the economic life of the city. The validity of this hypothesis is attested by the fact that when labor is scarce, as in the present war emergency, the push-carts disappear from the streets and the number of ice, wood, and coal dealers noticeably diminishes.

Groceries, obviously, do not fit into the category of marginal business enterprises, and our conclusion with regard to them may appear to lack strong factual support. Grocery-keeping has little basis in local Negro tradition. Twenty-five years ago, community

support was given to a lone Negro grocery store largely on the basis of racial pride. The possibilities of the neighborhood store seem not to have entered into the calculations of the Negro entrepreneur, who at that time was primarily engaged in the development of financial institutions. Most of the grocery stores have come into existence recently, and at least half of them have been established by outsiders who probably came from sections of the South in which a Negro grocery store was not a novelty.

EXPERIENCE IN BUSINESS—We may take as a rough measure of experience, the percentage of proprietors of a given type who have been in business ten years or longer. According to this criterion the operators of mercantile establishments have had less experience than the proprietors of businesses of the service type. To give the extremes: one-fourth of the restaurant and tavern owners in comparison with nine out of ten barbers and funeral directors have been in business ten years or longer.⁵ There is some reason to suspect, however, that the kinds of experiences involved are not equivalent. Experience gained in the operation of a mercantile establishment is largely experience in buying and selling and is readily transferable to some other mercantile enterprise. On the other hand, in the businesses of the service type the experience gained is more likely to be an increase of skill in a trade or profession—experience that has little, if any, value except in the particular service establishment in which it was secured. Within the mercantile group the grocers appear to have had more experience than the others, with the ice, wood, and coal dealers not far behind; whereas, among six representative service establishments the percentages in business ten years or longer are lowest for the proprietors of auto-repair shops and beauty parlors.⁶ The contrast between the two similar groups of proprietors, beauticians and barbers, is especially striking; the percentage of barbers in the ten-year-or-longer category is twice as great as that of beauticians. Aside from the difference in sex, it is probable that the wide variation between the two is due to the fact that the beauty shop is a comparatively new type of business which has only recently begun to attract a large number of career-minded women, who see in it a lucrative alternative to school-teaching.

TRAINING AND APPRENTICESHIP—In general, the proprietors of service establishments are better trained than the proprietors of

mercantile establishments. Only 38 per cent of the proprietors of mercantile businesses, in comparison with 71 per cent of the proprietors of service enterprises, indicated that they had completed the elementary school. Of the ten types considered above, ice, wood, and coal dealers have had the least and beauticians the most academic training. There is slight evidence that an increase in the amount of academic training would do more than educate proprietors "out" of the business in which they are, into another which carries greater social prestige but no greater profits. One suspects that the small mercantile business has not yet attained much respectability in the Negro community.

In the amount of "training for the business in which engaged," the contrast between mercantile and service proprietors is even more startling. Forty per cent of the operators of service establishments had received some formal training and 43 per cent of them served an apprenticeship before entering business for themselves. On the other hand, not a single one of one hundred and twenty-two proprietors in four selected mercantile classes reported that he had received any training for the business in which he was engaged; and only one in six (16.4 per cent) had served as an apprentice prior to the beginning of his business career. Exceptions to the general rule are to be found among mercantile operators in the case of the proprietors of restaurants, 45 per cent of whom have served as apprentices, and among the service operators in the case of the movers and packers, who report no formal training for the business in which they are engaged. Here it is again clear that the difference between the mercantile and service business operators lies in the fact that the training or apprenticeship reported is in a *trade* rather than in *methods of carrying on business*.

Business training, as such, appears to be non-existent among the proprietors of the ten selected businesses we have considered in this discussion. This lack is a glaring one as is reflected in the poor record keeping, the failure to use accepted advertising media and to appreciate the value of attractive displays, the ill-concealed suspicion of banks and other credit facilities, and in the proneness to mix personal affairs with business transactions, to the detriment of both.

FOOTNOTES—CHAPTER VI

¹54.2 per cent.

²Of the 62.6 per cent born in Kentucky, approximately one-third were born in Louisville.

³For ten selected businesses, 52 per cent of the 248 proprietors had been in business ten or more years.

⁴In 1940 the median number of school years completed for non-whites, twenty-five years old or over, was 7.2 years. See U. S. Department of Commerce, *16th Census of the United States, Population and Housing—Louisville, Ky., and Adjacent Area*.

⁵Percentages in business ten years or more: Proprietors of restaurants, 25.0; proprietors of taverns, 22.6; barbers, 91.7; funeral directors, 85.7.

⁶Percentages in business ten or more years: Grocers, 45.0; auto repairmen, 44.4; beauticians, 46.5; for 248 proprietors in ten selected types of business, mercantile and service combined, 52.0.

CHAPTER VII

THE EMPLOYEES IN NEGRO BUSINESS ESTABLISHMENTS

It has already been indicated in the preceding chapter that a large percentage of Negro businesses never advance beyond the proprietorship stage. There is practically no type of business enterprise included in the survey, other than the insurance companies, which does not have one or more representatives of this level of business endeavor. There is, of course, a total absence of employees as such in these businesses, although members of the proprietor's family may "tend" to the business in the absence of the proprietor himself.

These small enterprises are generally of the type whose financial management is carried on through the "pocket system," where income about balances outgo with no clear separation between the individual's personal and business expenditures. These embrace, for the most part, small businesses such as hauling and trucking enterprises, ice, wood, and coal dealers and junk peddlers.

The study of Negro business in Louisville revealed that there were not less than 752 persons "employed" in 1942 among the varied enterprises which boast having "employees." The term *employee* must be used with reservations because of the various interpretations placed upon the term by those conducting the businesses. It is thus impossible to give a clear-cut picture of the employee situation, for the term may include persons from the teen-age youngster who runs errands or makes small deliveries, to the decrepit oldster who loiters around the establishment to do any odd job which may come his way. Similarly, "wages" may range from free meals or the privilege of sleeping on the place, to twenty-five or thirty dollars per week.

Under such circumstances it is only natural that many such employees will be found sadly lacking in preparation and ambition. Thus the matter of preparation and remuneration of employees plays a very important part in determining the type of

service which the patrons of the various establishments receive. In some instances the general attitude of the employee is that he is doing the employer a favor by working for him. It is thus found that in such establishments employees are dissatisfied and show their resentment not only toward the employer but toward the patrons who make the business possible. Since the prevailing wage scale in many of the businesses is extremely low, there is a rapid turnover in employed personnel.

Persons employed may be divided into four general classes, namely: part-time family employees, full-time family employees, part-time non-family employees, and full-time non-family employees. Table number XX shows the distribution of 752 employees in 1942, of whom about one-fourth (25.7 per cent) were part-time employees and about three-fourths (74.3 per cent) were full-time employees. Slightly more than one-eighth (13.7 per cent) were members of the employers' families, while nearly seven-eighths (86.3 per cent) were non-family employees.

TABLE XX—EMPLOYEES IN NEGRO BUSINESS IN LOUISVILLE

STATUS	PART-TIME EMPLOYEES		FULL-TIME EMPLOYEES		TOTAL EMPLOYEES	
	Number	Per Cent	Number	Per Cent	Number	Per Cent
Family	49	6.5	54	7.2	103	13.7
Non-Family	144	19.2	505	76.1	649	86.3
TOTALS	193	25.7	559	74.3	752	100.0

It will give, perhaps, a better picture of the general status of employees, if a few of the businesses are classified into related groups and brief statements made concerning the employees of each group. In view of the fact that attention will be directed particularly toward businesses which usually employ several workers, the enterprises to be considered will be restricted to (1) personal service establishments, including cleaning and pressing enterprises, barber shops, and beauty shops; (2) food-handling establishments, including restaurants and taverns, grocery stores and drug stores; (3) funeral homes; and (4) insurance companies. These will be discussed in the above order.

(1) PERSONAL SERVICE ESTABLISHMENTS

There is considerable variation among the personal service shops, but there are certain employment tendencies which may be indicated briefly. The cleaning and pressing shops hire the minimum amount of labor. The shops average about three persons—a man to do the pressing, a man or woman to do the repair work, and a man to collect and deliver the clothing. Usually the cleaning is not done in the establishment. Such wearing apparel to be cleaned is collected and taken to one of the larger cleaning establishments for processing, and returned to the shop for pressing before delivery. Hence, there is no need for a person trained to clean various fabrics. Those employed are generally competent in the duties they perform.

Since barbering has declined in popularity as a trade among Negroes, it is often difficult for proprietors to secure journeymen barbers. In Louisville, the shops usually have from two to four chairs in operation according to the employees available and general business conditions. Due to the fact that Kentucky exercises control over the sanitary features of the barber shops themselves, as well as the proficiency of the barber, there has been an increase in the remuneration of barber shop employees. There has also been a decrease in the number of working hours in most shops and conditions of work are fairly satisfactory.

Beauty shops employ from one to four operators who work on a commission basis. In most instances the commission is 60 per cent for the proprietor and 40 per cent for the operator. These employees are trained for their work in beauty culture schools for a period of about a year. They then usually solicit their jobs from the proprietors themselves and attempt to build up their own clientele in order to assure permanence in their jobs. They tend in general to be very affable in disposition and very accommodating, as their hours of work are rather uncertain, due to the fact that many members of the Negro group are engaged in domestic service and find it inconvenient to get to beauty parlors between dawn and sunset. It is thus necessary that the operators work late at night and early in the morning to keep the trade. Furthermore, a beauty operator finds that a convenient trait to possess is patience, because the task of educating the Negro population to keep appointments is indeed a difficult one.

The restaurants and taverns possibly account for the largest number of employees as a single business. Most of them are

forced to employ as many as three or four waitresses each, because of the wage-and-hour law, which makes an eight-hour day mandatory for waitresses, thus necessitating different shifts in order to comply with this law. Many of these businesses remain open all night or until one or two o'clock in the morning, and this also necessitates the hiring of additional help. Beside the waitresses there are the cook or cooks, a janitor and sometimes a cashier, often the proprietor or his wife acting in the last capacity.

In Negro groceries the number of employees range from two to four and often all of these are members of the proprietor's immediate family. Where they are not family members, the proprietor attempts to select persons who live in the community where his business is located and who will help to draw trade to his establishment. The employees consist of one or two clerks, a porter and a boy to deliver orders in the vicinity.

Drug stores give employment to some three or four types of workers, a manager, waitresses, one or two pharmacists working different shifts, a porter, and a delivery boy. Sometimes the delivery boy and the porter are combined in the same person. The pharmacists are well trained and are able to fill all prescriptions, and also recommend appropriate medicines for minor ailments. Most of the Negro drug stores sell food and beverages which account for a large percentage of their income. The waitresses are usually experienced girls who have been engaged in that work for sometime and are fairly adept at handling the orders of the customers.

Funeral directors tend to use, as far as possible, members of the family as employees. Most owners of Negro funeral establishments are licensed embalmers, and those that are not, generally hire one of the first group to embalm for them when the occasion arises. In other words very few employ a full-time embalmer. The most important employee is a general handy man who can drive the ambulance or one of the cars, and act in the capacity of office attendant, go out with the funeral director to pick up bodies, and assist in the embalming and laying-out process. Many of them employ, in addition, a sort of a janitor or porter who can also be used as a driver in funerals or who can take over when the above mentioned handy man is engaged in some other duty. In addition the majority have a part-time bookkeeper to keep a record of their transactions. Usually this is some member of the proprietor's family.

FOUR INSURANCE COMPANIES

The four insurance companies operated by Negroes in Louisville—two having home offices and two branch offices—employ the largest group of well educated workers in any of the businesses. In 1942 the number of employees for the four companies totaled 136. This number included insurance executives, district managers, office employees, and insurance agents.

The group has had opportunities for a rather high degree of formal education ranging through high school, college, graduate, and legal training. Furthermore, each of the companies maintains a training course for its employees. As a result this group also represents the largest single block of Negro business employees who have been trained specifically for their duties and with regard to meeting and dealing with patrons of the business and the general public. A visit to the offices of either of the home companies will prove the point that the Negro employee when given proper training, working conditions, and remuneration can measure up to the highest standards required in business.

SUMMARY

The summary reveals that there was a wide range of ability, formal education, training, and experience among Negro employees in Negro businesses in 1942. Because of these wide differences the term "employee" may cover any person from a handy man furnished a few meals or sleeping quarters, to those receiving a fair compensation. There are a number of establishments which do employ persons who are rather well prepared for their duties. This is especially true of those businesses in fields where their employees are by the very nature of their jobs public relations people, representing the employer and the business.

Among some of the enterprises the employees must be builders of good will. It is here that a great field is offered for the training of personnel in the ethics and courtesies of business relationship as well as in the skills of their jobs. It should be possible for employers to set up a training course and require their employees to complete it upon an acceptable standard and to continue to grow into more valuable employees. In the insurance companies they have demonstrated that this can be done.

CHAPTER VIII

WHAT OF THE FUTURE? WHAT IS THE TREND? WHAT CAN BE DONE? SOME CONCLUSIONS AND RECOMMENDATIONS

Negroes, in one civil status or another, have been residents of Louisville since the first decade of the founding of the city, in 1780. They came, of course, as slaves, but, through the years some among them acquired the status of freedmen. It seemed to be characteristic of free Negroes that, as they became free, they tended to settle in the cities, or form communities of their own.¹ In Kentucky, free Negroes tended to settle in cities, and especially in Louisville, the largest among the cities, in later years.

By 1850, in Louisville, an interest in skilled and semi-skilled occupations had developed among the local free Negroes, and seeds of a business development had been sown, which apparently was a counterpart of business organization that came after the Emancipation. Moreover, the interest in such occupations and businesses prior to 1850 was a function of the relatively harmonious relations which existed between white people and Negroes, whether the latter were slave or free. Those relations, in general, were neither so harsh as had been reported farther North,—as in New York,—nor so amicable as had been reported,—not altogether with conclusive evidence, from farther South,—as, for example in Charleston, South Carolina. On the whole, however, occupational stratification among free Negroes, in Louisville, resembled the situation in the North, since in 1848 personal service employees, semi-domestic employees, and building trade employees tended to predominate. Whereas, in the lower South, skilled occupations were the more largely entered, and followed by free Negroes.

In the general situation, however, there were adumbrations, and doubtless also a pattern of later business development which was to emerge when all Negroes, after the Emancipation, would become free. Indeed, by 1850 some from the free Negroes had already entered trades and occupations which not only required

skills, but also capital investment—for example, the occupation of moving and hauling.

Indeed, in this latter occupation, prior to 1865, a kind of monopoly was developed among free Negroes which had the form, and might have set a pattern, of later business development among Negroes. Then again, from, as it were, a seedbed of occupations peculiar to the period of slavery and to the existence of a free Negro class, there might have developed,—and there is reason to believe that there did develop, after 1865,—a greater variety of skills, as occupational opportunities widened, and business enterprise began to attract persons from among the newly-freed Negro group.

If we accept seventy-one as the number of occupations listed,—for two cities and two states,—in the census of 1850 for free Negroes; there were no fewer than five hundred such separate occupations listed, and grouped into seventy-six classes, just eighty years later, in 1930. In that year, indeed, 116 classes of occupations were listed for Negroes of Louisville alone, comprising those classes that had developed as a result of technological improvement, and which had also grown as professional classes had also burgeoned.

In other words, as a free man, the Negro in Louisville had demonstrated ability to enter certain fields. It is not so evident that he had entered those fields in so great numbers as the Negro population would seem to warrant from the side of numbers. By 1930, for example, only 4.48 per cent of male Negro gainfully employed workers were classified as "skilled." Yet, by 1940, the picture had changed sufficiently to indicate that still newer occupational opportunities, along with skills in both manual and operative techniques, had opened up, and had brought in their train upgrading of Negroes in manufacturing operations, as also in clerical and sales skills. These latter, indeed, were an index to an emerging, if not a continuing, commercial development in the city.

In the latter year, indeed, there was abundant evidence to warrant a conclusion that, simulating the development of retail business among Negroes, both in the United States and in Kentucky, a business organization, and along with it a business consciousness among Negroes in Louisville, was beginning to take from a pattern previously set a definite shape and outline.

Retail business among Negroes, following a trend that had been developing for at least ten years,—both in the United States as a whole, and in Kentucky as a State,—was described as predominantly connected with food sales and/or service. However, in Louisville, in 1942, from an enumeration of retail concerns, the majority were definitely included in the classification “all other retail stores,” although food sales and service came a close second. It was demonstrated, moreover, that, when food sales and service and “all other retail stores” are included in a single count, nine-tenths of all Negro businesses in Louisville may be found in those classifications.

Again, there had been a decline in annual sales of more than half, of employees of approximately two-fifths, and of number of stores of about 17 per cent, for a ten-year period in these businesses. However, in all justice, it should be stated that the trend was somewhat similar both for the country and for Kentucky, in respect to gross annual sales. Yet, for the city of Louisville itself, the number of stores and of employees had increased, even though in Negro stores the reverse was true. An outstanding finding for the period, however, was,—considering 1929 as a base year and 1942 as the sample year,—that the total income for retail business of Negroes in Louisville approximated only about $1\frac{1}{2}$ per cent of the total retail business of the city.

When Louisville was compared with New York and New Orleans, for 1929 and 1942, the three cities were definitely “food group” retail store cities. On the other hand, while in New York and New Orleans, food stores headed the list of number of stores, in Louisville the ice-coal-wood dealers carried away that honor.

When income from retail business was used as an index, both New York and Louisville recorded a larger percentage of total income derived from “other-than-food stores” than did New Orleans. Yet, on the same basis, 97.8 per cent of the total income of Negro retail business in Louisville was derived from seven groups of 268 stores—when as a matter of sampling, 354 stores had reported, and 654 had been located. The conclusion to be drawn from that array of evidence seems to be that retail business, as a general occupation and employment, is narrowly restricted among Negroes of Louisville. There would seem to be ample room for development of more businesses, more types of businesses, and more concerns, enterprises, and companies in those types. To put it another way, if the judgment is not an over-statement, the

surface of possible business to be done among Negroes in Louisville by Negroes has only been scratched.

This latter conclusion is amply supported by presentation of evidence to the effect that: 354 separate businesses reported an income of approximately \$3,400,000.00 for a year in which, according to the census, there were no fewer than 47,000 Negroes residing in the city of Louisville. When the *total* annual income was estimated,—on the basis of averages presented for the 354 replies returned,—it was calculated that the 654 *located* Negro businesses,—from a classification which endured much straining and stretching to include many instances of persons who merely received an income,—would report slightly less than an annual income of \$4,700,000.00, for 1942. The conclusion, not then drawn, is however inescapable: Business among Negroes in Louisville,—in the terms used in this study,—is a small business; and a business that could endure much expansion, without too great straining of either the abilities of the Negro group or the income which they receive.

Significant findings emerged from a consideration of separate business establishments in the city, when, on the whole, average proprietorship, average monthly sales, average gross profits, and average monthly net income were used as indices. In a nutshell, the findings indicated that: funeral directors, taxicab companies, and filling stations were discovered to be the "best businesses"; while, in contrast, junk peddlers, ice-coal-wood dealers, dress-makers, and barber-beauty shop operators invested less capital, received a smaller gross, and netted less for their services than any other groups studied. Such findings, doubtless, were not different from common sense observations; but their emergence from statistical calculations, after due analysis of conditions, confirms the general opinion.

A significant finding covered the observation that, since their businesses tended to rise or sink accordingly as they used good methods, or understood clearly the complications involved in efficient operation, grocers, newspaper owners, contractors, and painters-plasterers, existed on a business-efficiency borderline. The precarious nature of the businesses seemed to make these enterprises such a venture, that improvement of operation, organization, and methods would seem to be at least one effective means of reducing risks, as well as of increasing net income. It is not a daring conclusion to observe that these entrepreneurs could use

business advice and consultation as a means of further progress in business. It would not be too far from the truth to say that it might be taught to persons who plan to enter these, and similar, businesses that a study of methods, procedures, practical applications,—such as would be found in some good business school or college,—would assist prospective investors and managers in becoming more efficient.

Two common-sense observations were confirmed in the findings that: there was a close correlation between money invested and net income, gross sales, and gross profit; the barber-beauty shop expansion of recent years,—especially in beauty shops,—is not quite understood, when the marginal character of the businesses is demonstrated. Rationalizations on these points might proceed as follows: a) From the standpoints of numbers of enterprises, capital invested, and net income, Negro businesses in Louisville are small businesses; but since Negroes are proverbially a poor people financially, it would seem that any hope of expansion of business enterprise among them, for the future, must include some consideration of capital stock companies, co-operatives and similar joint-stock companies, to provide sufficient capital; b) the recent entrance of so many Negro women into the "beauty shop business," considering the competition in the field, as well as the growth of beauty colleges, as well as the short time of preparation required, along with the low net income derived, might well be reviewed, and vocational expansion into this field weighed with more judgment than previously; c) it is undoubtedly true that some businesses will show better results IF they are managed more efficiently, and if the owners have more training, apprenticeship, and experience in their respective fields; d) by far the most successful businesses among Negroes in Louisville are those classified in the investment-managerial type,—such as funeral directors, insurance companies, newspapers, taxicab companies,—or businesses which require a close system of records, such as filling stations, confectioneries, and groceries.

It would seem from a consideration of the factors mentioned, that: additional business and commercial training, guidance into types of businesses, and counsel for sick businesses,—all such services as might be offered by a functioning college or school of business administration,—would go far in assisting such persons as might be interested, in making more efficient and effective their businesses. A business clinic would doubtless bring small, ailing

businesses to a higher standard of efficiency, would indicate to borderline businesses the places where effort should be placed in order to avoid "business sickness"; while counsel and guidance for more complex, even though healthy businesses, would doubtless also assist them in developing more effectiveness and efficiency.

These latter conclusions seem to be supported by findings from analysis and description of the appearance, tone, and functioning of the 354 businesses studied. It was demonstrated that, as small businesses, they had the appearance of small businesses; and, since many of them were marginal to the type in which they were included, improvement in physical appearance, in tone, and in functioning among them would, almost without doubt, result in additional sales, larger gross income, and certainly greater net income.

Again, we arrive at a conviction, if not a conclusion, that business training, vocational guidance, professional information, business counsel and assistance would certainly assist in ameliorating the situation of Negro business in the city, especially with regard to these factors. In other words, if the proprietor learned to keep a neater place, was definitely more agreeable to customers, required a greater efficiency and attitude of service on the part of his few employees, kept up with the market, learned sales methods, kept better records, made an overt effort to increase his efficiency, all from the side of improving what people could *see* and *know*, at least in prices and in good will, his business would doubtless expand.

The owner, as a type, is a middle-aged man,—generally over forty-five years of age,—in two cases out of three was born in Kentucky, and in one case out of five, approximately, was born in Louisville. He has been in business on an average of ten years, or more, and has an education slightly higher than the average for the city as a whole, in terms of years of attendance. About one out of five has had any specialized training for his enterprise, and about three in ten have served any apprenticeship.

If he is over sixty years of age, he is generally a grocer, a barber, or an ice-coal-wood dealer; if a woman and over thirty-six years of age, she will doubtless be a dressmaker, but if younger will doubtless be a beautician. In fact, since the occupation of beautician has expanded so rapidly in recent years, there is a tendency for the proprietors to be both young in years, and more recently established in business than, say, barbers or dressmakers.

Restaurant proprietors, morticians, and moving men are Kentuckians, but grocers, barbers, and ice-coal-wood dealers are generally migrants to Louisville. A suggestion, confirmed by an observation of a long-time resident of the city, is that grocery-keeping, as an example, is a comparatively recent development in Louisville. But, enterprises,—service, retail, or managerial,—that require a wide acquaintance, based upon personal contacts are those into which Louisvillians are doubtless prone to enter. This reflects the personal nature of a great deal of the business among Negroes in the city. Size of the business, it is true, contributes to personal relations,—the smaller, the more personal. Confirmation of the personal factor is that nearly one-third of the proprietors operate their businesses in their homes, and one in five has some other occupation than the business enterprise.

Such deductions seem to confirm the finding that business among Negroes in the city is not too greatly a "serious" business. The business man tends to know his customers, practices "part-time" business, delays risking his whole future in business alone, conducts what might for a better term be known as a "business of, and for, convenience," both to himself and customers, and in general does not practice, nor in many cases possess the capacity or desire for, the impersonality so necessary for successful enterprise. If business and friendship do not mix, the fact that there is so much friendship in these businesses may account for the character of the enterprises at the same time that it throws light on the motives and wishes of the entrepreneurs.

Still another observation might be made, operators of mercantile establishments have been in business for a shorter time than owners of service establishments. But, owners of service establishments are predominantly Louisvillians. The observation is then offered,—quite without support, and as a suggestion only,—that we are able to detect a hesitancy on the part of Louisvillians to enter businesses that require managerial skill, rather than occupational efficiency. The one exception to this rule is the instance of the funeral director; but his business requires long-time ownership ere it can become efficient.

It may be suggested, again, that IF training for business as a managerial and investment technique were offered Negroes of Louisville, they *might* be induced to enter enterprises where risk was a more potent factor than occupation or skill. There is suggested here also a need for vocational education and training,

much below the college level—for the proprietors have a little more than eight years of schooling.

Some other suggestions, that with difficulty may be ignored are, that: a) since these business men enter business relatively late in life, such may be a function of the lack of capital, or faulty vocational education and guidance; or it may even mean that,—since ice-coal-wood dealers are in the majority of all proprietors studied, and since they are relatively old,—business may be a *marginal enterprise* among Louisville Negroes, and needs advertisement and propaganda; b) the more training a man has, in Louisville, the less likely he is to enter any of *most* of the types of businesses studied, and yet they are the *only* types there are; it doubtless means that “business” as such does not possess sufficient prestige to attract the attention of the younger Negro; c) vocational education, counseling, and guidance might well begin on the elementary school level, IF it is to be considered as a general trend that, with more than a ninth grade education, the Negro boy will not enter business; d) counseling for business and clinics for business men will need to be conducted on a level where the business men may reach and understand counseling and guidance; e) the Negro man and woman, beyond the elementary and high school should be taught the opportunities in, as well as the techniques of, business enterprise that entails *risk*—an essential factor in managerial and investment business; f) college graduates show no preference for the types of business studied here, except insurance, newspapers, and managerial-investment enterprises, therefore the field might be opened up to persons higher than high school or elementary school.

Considering that one out of five of the 354 entrepreneurs interviewed reported that they had had *no special training in business*, and only one out of four had high school training and beyond, it *might* be concluded that only those persons who had advanced beyond high school had had any business training at all. This brings out a startling suggestion, namely: business training courses might be made available for the 80 per cent of Louisville business men who have had no training at all; or, to put it differently, considering that four out of five Negroes who will later enter business in Louisville will have *no business training at all*, business education for Negroes might be instituted at the elementary, high school, and college level,—if there is any belief in the correlation between business training and business development and efficiency.

These latter hypotheses are slightly confirmed by the replies from over one-third of the business men that they would take courses in management, bookkeeping, accounting, sales and cost accounting, marketing, buying and selling, sales psychology,—and other techniques and practices of business,—*IF courses were made available to them.*

On the more practical side, however, since slightly over one-third of the entrepreneurs interviewed kept no records, and since, in these times of rationing, complications have arisen, and since, as we have pointed out, a business develops in proportion as good method and practices are used, the establishment of a Central Bureau of Business Advice and Information *would*, if its services were freely offered and as freely accepted, prove an invaluable aid for the increase of efficiency in these businesses, and would *seem*, in one respect at least, to make itself felt, if in no other way than in increase of net profits among these business men.

Concerning the employees, it has been remarked previously that a great field is offered for training in the “ethics and courtesies of business relationships.” Moreover, it has been shown that,—in the insurance companies for example,—when Negro employees have been *trained* specifically to meet demands and requirements placed upon them by the exigencies of the businesses, they respond with a vigor that says, in short, employees need business training as well as employers.

It must be remembered that employees are also, according to the American system, prospective owners. Formal training for prospective business employees, while not guaranteeing that they would later become owners and employers, would nevertheless place them in a more effective position for *apprenticeship* after leaving training courses. This latter is one step toward effective business ownership and operation.

Finally, there will be a need for employees as well as employers in all businesses. True, in Louisville Negro businesses, the majority are owned by a single person, and only 649 persons are employed by the 654 businesses; BUT, this is 86.3 per cent of the entire employee group. To put it differently, as these businesses expand, they tend to employ six to seven times as many persons, outside the family of the proprietor. An axiom is derived from this observation, namely: as Negro business becomes more proficient, it provides employment for many persons. True, the number of persons employed by Negro retail business establishments

in the United States is relatively small;² nevertheless, with more efficient owners, using better methods, because of better training, and with employees who may be able to "deliver the goods," the entire development, in the form of a spiral, so to speak, standing on the narrow end, will provide more and more business, more and more income, more and more employment, and be, after all, bigger and better business. This projected development for the United States would seem to be valid also for Louisville, in the light of facts presented and analyzed herein, as portions of this study.

CONCLUSION

Without attempt to assess any blame for the condition, or to find fault with persons or circumstances, it may readily be stated that business enterprise among Negroes in Louisville is relatively undeveloped,—perhaps no less than in the rest of the United States, but relatively undeveloped nevertheless. With a population of near 50,000 Negroes, who receive approximately four per cent of the consumer income,³ there is abundant room for expansion of business of all types, both in number of concerns and in the separate businesses themselves. And this possibility is stated in face of the fact that the Negro business man must get by far the most of his trade from Negroes.

If business among Negroes in Louisville could be made to develop in the line of taking more risks, developing,—not to too great an extent, perhaps, in view of the traditions and personalities,—an impersonality, an efficiency of personnel and of techniques; IF business men could receive more training, or, failing that, IF those who are already in business could receive business counsel and guidance for the problems, petty and grave, that arise; IF, young Negro boys and girls might have presented to them the bright prospects in business, and might be guided into and trained therein; and IF persons who now look down on "business" as unworthy could be made to see some of the possibilities; and IF, employees could be upgraded, businesses made more attractive physically, attitudes of business men and the tone of their businesses improved in the direction of greater and more efficient business sense, there is room to believe that there might grow and develop, in Louisville, a business organization among Negroes in the community that would,—at least could,—be the equal of any in America.

As a phase of making the adjustment of the Negro business man of Louisville more perfect,—though not wholly so, indeed,—both in relation to the business itself and to the community, it seems to be warranted by the analysis, findings, suggestions, and recommendations that: a Bureau of Business Counseling, a business Clinic, Courses in Business Administration, Marketing, Sales and Salesmanship, Sales and Cost Accounting, Advertising, Retail Trade, as well as less technical courses, such as Bookkeeping, Typing, Shorthand and Stenography, could, and should be established in the city, by or in such institutions as are equipped and capable of offering such services and training. Even the least sanguine expectations would seem to perceive in such a development a progress in Negro business that would both increase the magnitude of that business and make it a more or less potent factor in the community and city. From the longer look, from the standpoint of the efficiency of Negro business, from the viewpoint of the economic advancement of the Negro in Louisville, there seems to be established a need for such assistance. The public welfare requires such, a rational public policy seems to demand it.

FOOTNOTES—CHAPTER VIII

¹See on this point, Bertram W. Doyle, *The Etiquette of Race Relations in the South* (Chicago: University of Chicago Press, 1937), pp. 93-96.

²Myrdal (*An American Dilemma*, Vol. I, p. 307), estimates that, in 1939, there were 30,000 Negro retail stores, employing less than 14,000 employees, and, apart from unpaid family members, the total number employed, including proprietors, was "a total of 43,000 persons."

³Myrdal (*op. cit.* in loc. cit.), says that "the Negro population has less than one-tenth of the total consumer income in the United States." He makes a "guess" later that the share in the "total national income does not exceed 4 per cent, and is probably around 3 per cent."

APPENDIX

TABLE A—TENTATIVE CLASSIFICATION OF NEGRO BUSINESSES

I.—MERCANTILE

- A. No competition with whites for Negro trade
Little or no trade with whites
 - 1. Restaurants
 - 2. Taverns
- B. Sharp competition with whites for Negro trade
 - 1. Filling stations
 - 2. Drug stores
 - 3. Florists
 - 4. Insurance companies
 - 5. Printers
 - 6. Real estate
 - 7. Groceries
 - 8. Miscellaneous
- C. Negro monopoly or near-monopoly of business
Negro and white trade
 - 1. Ice-wood-coal dealers
 - 2. Junk peddlers
- D. Mixed both as to competition and patronage
 - 1. Newspapers
 - 2. Confectioners

II.—SERVICE

- A. No competition with whites for Negro trade
Little or no trade with whites
 - 1. Barber shops
 - 2. Beauty shops
 - 3. Funeral Directors
 - 4. Furnished rooms and hotels
 - 5. Poolrooms
 - 6. Taxicab companies
- B. Sharp competition with whites for Negro trade
 - 1. Auto-repair
 - 2. Miscellaneous
- C. Negro monopoly or near-monopoly of business
Negro and white trade
 - 1. Hauling and trucking
- D. Mixed both as to competition and patronage
 - 1. Cleaners-tailors-pressers
 - 2. Painters-plasterers-wall cleaners
 - 3. Dressmakers
 - 4. Miscellaneous

III.—MIXED MERCANTILE-SERVICE

- B. Sharp competition with whites for Negro trade
 - 1. Sheet metal
- D. Mixed both as to competition and patronage
 - 1. Contractors

TABLE B—DISPOSITION OF ORIGINAL LIST OF BUSINESS LOCATIONS (BY TYPE OF BUSINESS)

TYPE	ORIGINAL LIST	WHITE OWNED	DISCARDS OUT OF BUS.	DUPLICATE	UNASSIGNED	ASSIGNED BUT NOT COMPLETED	COMPLETED	TOTAL NEGRO BUSINESS
Auto Service	23	3	3	0	2	4	11	17
Barber Shops	49	1	1	0	5	6	36	47
Beauty Shops	75	1	0	8	0	23	43	66
Cleaners, etc.	31	1	2	4	2	8	14	24
Contractors	14	1	1	0	1	3	8	12
Dressmakers	26	1	3	0	0	12	10	22
Drug Stores	3	0	0	0	0	0	3	3
Funeral Directors	18	0	1	0	0	3	14	17
Furnished Rooms	36	2	0	0	14	9	11	34
Groceries	31	2	1	2	1	5	20	26
Hauling, etc.	41	2	6	3	3	14	13	30
Ice-Wood-Coal	136	1	8	10	13	52	52	117
Insurance Co.	4	0	0	0	0	0	4	4
Junk Peddlers	42	2	3	1	1	27	8	36
Newspapers	5	0	0	0	0	0	5	5
Painters, etc.	26	2	1	1	4	9	9	22
Printers	7	0	0	1	0	3	3	6
Taverns-Restaurants	124	6	4	15	10	38	51	99
All Others	74	0	6	1	5	23	39	67
Totals	765	25	40	46	61	239	354	654

TABLE C—MISCELLANEOUS INFORMATION ABOUT NEGRO BUSINESSES

TYPE OF BUSINESS	OWNER WITH OTHER OCCUP.	NO. OF SINGLE PROP.	IN HOME OR RES.	NO. WITHOUT RECORDS	SCORE ON RECORDS	WOULD TAKE COURSE	MEMBER CHAMBER COMMERCE	EST. BY PRESENT OWNER	TOTAL NO. OF BUSINESSES
I-A, 1, 2, Restaurants and Taverns	9	46	8	12	218	12	7	36	(51)
I-B—Drug Stores	0	2	0	0	24	1	1	2	(3)
LI-B—Funeral Directors	3	12	9	1	102	8	4	9	(14)
I-B Groceries	7	15	5	1	73	7	3	10	(16)
I-B Real Estate	2	3	0	0	19	2	0	2	(4)
I-B Printers	0	3	0	0	18	2	2	3	(3)
I-B Insurance	0	2*	0	0	37	1	1	3	(3)
I-B Miscellaneous	1	9	4	2	30	5	0	5	(11)
I-C Ice, Coal, Wood	17	48	17	28	67	4	0	42	(52)
I-C Junk Dealers	0	6	2	7	0	0	0	7	(7)
I-D Confectioners	1	2	0	1	7	2	0	3	(3)
II Newspapers	0	2	1	1	34	22	3	3	(5)
II-A Barbershops-Beauty Shops	11	72	33	35	190	43	7	63	(81)
II-A Poolrooms	2	4	1	0	22	0	0	3	(4)
II-A Hotels, Furnished Rooms	4	10	5	5	23	2	0	6	(11)
II-A Taxicabs	1	3	0	0	28	14	0	2	(4)
II-B Miscellaneous	5	12	9	5	56	9	2	14	(14)
II-B Auto Service	3	7	2	2	25	1	0	6	(9)
I-B Filling Stations	0	2	0	0	18	1	2	1	(2)
II-C Hauling	2	11	4	7	21	3	0	11	(13)
II-D Painters-Paperhangers	1	5	4	4	21	0	0	7	(7)
II-D Tailors, Cleaners, etc.	4	12	3	2	81	9	5	13	(16)
II-D Dressmakers	0	10	10	8	7	4	0	10	(10)
III-D Contractors	0	5	4	0	54	4	0	8	(8)
TOTALS	73	303	124	121	1264	128	38	178	

*Managers of local agencies.

TABLE D—AVERAGE FOR EACH TYPE OF BUSINESS.

TYPE OF BUSINESS	NUMBER OF BUSINESSES	AVERAGE PROPRIETORSHIP	AVERAGE MONTHLY SALES	GROSS PROFIT	NET PROFIT
1-A. Taverns and Restaurants	51	\$ 1,653.37	\$ 994.17	\$ 438.66	\$230.77
1-B. Groceries	16	2,723.45	675.71	195.34	117.47
1-B. Filling Stations	2	7,626.00	2,082.50	546.00	329.75
1-B. Miscellaneous	19	2,661.08	851.31	310.28	181.46
1-C. Coal, Ice, Wood	52	198.29	163.22	64.90	48.05
1-C. Junk Peddlers	7	85.33	160.80	89.67	52.17
1-D. Confectioners	3	5,091.00	1,033.33	573.33	310.67
1-D. Newspapers	5	17,644.35	1,432.82	619.73	175.12
2-A. Barber Shops					
Beauty Shops	81	483.47	150.99	147.53	83.28
2-A. Poolrooms	4	1,432.50	370.00	360.00	139.44
2-A. Furnished Rooms	11	19,466.72	417.48	340.21	162.60
2-A. Taxicab Companies	4	3,087.50	1,695.00	1,695.00	471.47
2-A. Funeral Directors	14	8,635.54	1,293.29	599.34	346.87
2-B. Auto Repair	9	2,655.14	235.71	208.21	131.29
2-B. Miscellaneous	15	1,388.40	321.07	277.14	173.06
2-C. Hauling-Trucking	13	1,252.33	265.55	238.46	120.51
2-D. Cleaners-Tailors	14	1,939.98	309.73	276.88	167.10
2-D. Wall Cleaners, Painters and Plasterers	7	938.67	176.28	154.14	109.29
2-D. Dressmakers	10	86.20	59.90	54.90	51.95
2-D. Miscellaneous	3	7,545.00	685.17	416.31	208.19
3-B. Sheet Metal	1	3,000.00	220.00	170.00	119.15
3-D. Contractors	7	1,669.34	846.85	690.42	288.04

NOTE A—METHODS AND MATERIALS

Perhaps the best answer to the inevitable question as to the reliability of the data collected for this study is a brief summary account of the step-by-step organization of the field work that constituted the core of the *Survey*. No attempt will be made here to evaluate the schedule used in the study since the field-work job was not under the direction of the same persons who had constructed the schedule.¹

PRELIMINARY PREPARATIONS—Preparations for the beginning of the field work included a try-out and consequent revision of the schedule, the setting up of a budget in terms of the estimated outlay of the time and money necessary to secure the desired information, and the selection and training of field workers.² One of the most important of the preliminary problems was that of determining the number and location of Negro businesses. Using a city directory (1942), it was possible to list street by street all the businesses located in known Negro areas. These places were checked by high school students working by pairs in their own neighborhoods in order to eliminate businesses operated by whites and also to add to their lists the new businesses that had been established since the publication of the directory. In this fashion an "Original List" of businesses believed to be owned and operated by Negroes was compiled.³ A filing card containing pertinent information as to type and location was made out for each business on the list.

SELECTING THE SAMPLE—It was at once apparent that it would not be possible to include all the businesses in the survey. Consequently, a minimum objective of fifty per cent coverage was decided upon. As the survey progressed a weekly check on assignments to interviewers was made in order to keep the running sample representative both as to type of business and as to areas in which the businesses were located. This sampling policy was rigidly followed in cases where the number of businesses of a given type was small. Complete coverage was obtained for some types and an attempt was made to include every business establishment which was the only one of its type in the city. In six instances the coverage fell below the expected fifty per cent.⁴ Even here, however, it is believed that the establishments surveyed present a reasonably accurate picture of the type repre-

sented. The three hundred and fifty-four businesses included in the sample constitute fifty-four per cent of all the business enterprises operated by Negroes in the city.

RELIABILITY OF THE DATA—Because of the confidential nature of the information desired some concern was expressed lest suspicious proprietors would either refuse to give information or so distort their replies as to impair the validity of the conclusions. In general, schedules were not submitted to proprietors. Interviewers memorized the questionnaire items that promised to evoke resistance or prevarication and sought to introduce them in such a way as to elicit a truthful response. After the purpose of the inquiry was explained the proprietor was encouraged to talk about himself and his business. Direct questions were avoided as much as possible until complete rapport was established between interviewer and interviewee.⁵ The interviews were written up later either from notes or from memory and then transcribed to the schedule blanks.⁶ Omitted details and inconsistencies were usually checked by a second visit.

Completed schedules from the same type of business were checked one against the others, and if a schedule deviated markedly from the general run of replies it was given back to the interviewer for careful perusal. If the response to a particular item was found to be inconsistent with other items on the same schedule and out of line with the same item on other schedules, it was omitted in the computation of averages. This double check permitted the attainment of a fairly high reliability for the well represented types of businesses. In the case of unique businesses we have assumed that the undetected discrepancies tend to balance each other.

NOTE B—VOCATIONAL CHOICES AND VOCATIONAL OPPORTUNITIES ON SECONDARY SCHOOL LEVEL FOR NEGROES IN LOUISVILLE

In 1934 a study was made of the occupational choices of Negro pupils in the senior high school of Louisville.⁷ It revealed that of the 493 pupils designating vocational preference, 144 pupils, or 29.2 per cent, selected vocations which would indicate the desirability of some business training.⁸

All such vocations, it was true, would not have required business training for entry, but all would have required some business

training or business acumen for success. The 144 choices were rather widespread in this respect, ranging from stenography which requires specific business training on the one hand to dressmaking and housepainting on the other.⁹ Furthermore, while some of the choices did not necessitate that the individual be more than an employee with little opportunity for display of initiative, all of the occupations were capable of being developed into full-fledged business enterprises by persevering and ambitious individuals.

Subsequent statistics from the senior high school indicate that the pupils are becoming more and more conscious of the opportunities in vocational activities which have a business, or potential business, basis. Thus, whereas in 1934 only 29.2 per cent of the choices were of a business character, in 1938 forty-four pupils out of 104, representing 39.4 per cent of the June graduating class, made such choices, and in 1942, seventy-seven pupils out of 165, representing 46.6 per cent of the June graduating class, indicated such selections.¹⁰

The program of guidance, as developed under the principal of the high school and the guidance counselor, has been instrumental in focusing the attention of the pupils on vocations outside of the traditional "white collar" pursuits. The war also has been a factor in pointing pupils toward fields such as aviation mechanics, electric welding and radio technology, in which there is need for trained persons.

The picture of training facilities, however, is not so bright. Louisville offers no business training at all on the collegiate level and the training on the secondary level is highly restricted. A recent survey of the Louisville public schools¹¹ made a careful evaluation of the offerings in vocational training available to Negro pupils.

The survey revealed that excellent instruction was being offered in the commercial studies. The offerings included such subjects as typing, business training, business English, business principles, bookkeeping, shorthand, office practice, salesmanship, and commercial law. However, the survey indicated a glaring deficiency in the other vocational offerings to Negro pupils. The contrast of vocational offerings to white and Negro pupils is clearly drawn by the report as follows:

VOCATIONAL OFFERINGS IN LOUISVILLE SCHOOLS¹²

OFFERINGS AT CENTRAL COLORED HIGH SCHOOL	OFFERINGS AT AHRENS TRADE SCHOOL
1. Tailoring and Garment Making	1. Automotive
2. Dressmaking	2. Bookbinding
3. Auto-Mechanics	3. Cabinet Making
4. Foundry	4. Commercial Art
5. Carpentry	5. Comptometer
	6. Drafting
	7. Dressmaking
	8. Electric
	9. Linotyping
	10. Machine Shop
	11. Plumbing
	12. Printing
	13. Radio Mechanics
	14. Retail Selling
	15. Sheet Metal
	16. Welding

The contrast is demonstrated further by the following statements concerning the program of the two schools.

"Louisville possesses in the Theodore Ahrens Trade High School an admirable example of its type of school. The building is commodious and appropriately designed, the equipment ample almost to the point of luxury, the instruction effective, the administration highly efficient."¹³

Concerning the Central Colored High School the survey states: "The department of trade training for boys in this institution comprises four shops: forge-foundry, auto-mechanics, carpentry, and tailoring. There is also a mechanical drawing room, but this is used exclusively for instruction related to the trades and not for training draftsmen. The shop instructors give evidence of being thoroughly competent, but facilities for instruction are highly inadequate. The pupils are not well selected and contacts with employers and employment conditions are virtually non-existent."¹⁴

It is apparent that Louisville has fallen into the error common to many other communities of our country. This error is to base the training opportunities for Negroes upon the types of jobs already held by Negroes on the theory that the generation in the schools and colleges should be trained to fill these jobs, and these alone. When they desire training, the opportunity for training is denied them upon the ground that there is no demand for their services—when they apply for employment, they are rejected upon the ground that they are not trained for that specific job.

In order for the Louisville Negro to get off of this bizarre merry-go-round, two ventures will be necessary. First, it will be necessary to provide opportunities for apprenticeship in trade and business. This will involve, among other things, the liberalizing of the attitude of white trade unionist toward the Negro worker.

Negroes in Louisville, as in other communities of the United States, do not measure up to their individual potentials in the world of economic enterprise because they are understimulated and thwarted by the American environment. It is thus apparent that it will not be possible to determine what vocations Negroes really desire to enter until they have opportunity to secure training for a far greater variety of vocations with the added incentive of a reasonable expectancy of employment after such training.

FOOTNOTES—APPENDIX

¹The schedule was constructed by Mr. J. B. Blayton of Atlanta University, who acted as a consultant during the early period of the study. The field work was directed by Mr. H. A. Baker of the Faculty of Central High School, Louisville, Kentucky. The local Survey Committee was composed of staff members of the University of Louisville (including the Louisville Municipal College) and the Louisville Urban League.

²All seven of the interviewers were well qualified for the job they were expected to do. Six had college degrees, three had advanced degrees, and all had behind them some years of experience either in teaching or recreation. They were paid on an hourly basis, being allowed not more than two hours per completed schedule. They submitted weekly reports as a basis for compensation.

³See Table A in Appendix 2.

⁴These were: Dressmakers; the operators of furnished rooms; movers and packers, ice, wood, and coal dealers; junk peddlers; painters and other building contractors. See Table A, Appendix 2.

⁵The skill of the interviewers is indicated by the fact that there were only nine outright refusals reported during the course of the survey.

⁶Questionnaires were identified with the initials of the enumerator; and when the materials were transferred to cards and indexes, the initials were a part of the transfer. This served to identify schedules by the reliability of the enumerator, as efficiency and reliability developed during the course of the study.

⁷Atwood Sylvester Wilson, *The Vocational Opportunities and Education of Colored Pupils of Louisville*, A Master's Dissertation, University of Chicago, 1934.

⁸Ibid., Table XXI, pp. 38-39.

⁹The choices included the following occupations: Agents, architects, beautician, bookkeeper, business man, cabinet maker, carpenter, dressmaker, historian, engineer, farm manager, machinist, printer, restaurateur, office clerk, painter, pharmacist, printer, salesman, stenographer, upholsterer.

¹⁰Data from files of Central High School Office.

¹¹George A. Works, *Louisville Public School Survey*. Printed by the City of Louisville, 1943.

¹²Adapted and arranged from Works: *op. cit.*, p. 336.

¹³Works: *op. cit.*, p. 413.

¹⁴*Ibid.*